

Government of Madras

LAW (EDUCATION) DEPARTMENT

G.O. No. 1365, 21st September 1921

Provident fund

For teachers in non-pensionable service — draft rules — published.

36

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For teachers in non-pensionable service — draft rules — published.

READ—the following papers :—

I

G.O. No. 14, Law (Education), dated 4th January 1921.

II

Letter—from R. LITTLEHAILES, Esq., M.A., Director of Public Instruction, Madras.

To—the Secretary to Government, Law (Education) Department.

Dated—the 13th June 1921.

No.—R.C. 9801/19.

With reference to paragraph 3 of G.O. No. 14, Law (Education), dated 4th January 1921, I have the honour to submit the enclosed rules of the provident fund for teachers in non-pensionable service drawn up by me in consultation with the Accountant-General, the Postmaster-General, Madras, and the Deputy Accountant-General of Post offices and Telegraphs, Madras. The Accountant-General suggested to me that the rules might be subjected to the scrutiny of the Government Solicitor. I beg to enclose a copy of the letter No. 525, dated 26th April 1921, of the Government Solicitor, Madras, who has condemned the rules. In the course of a personal interview, the Government Solicitor has explained that he is convinced that the rules are neither workable nor legally protective to the members of the fund. His main point is that it is essential that the Government should constitute a trust fund with independent administrators. He considers that the control of the fund by the local Government and its management by means of the Post Office Savings Bank as contemplated by the Government of India in the scheme forwarded with their letter No. 166, dated 23rd February 1916, is irregular and that if the rules remain unaltered the fund money of any individual teacher will be attachable for debt which defeats one of the main objects of any provident fund. The Government Solicitor also considers that it would be very unfair to compel a teacher to invest his provident fund money in the Post Office Savings Bank at 3 per cent when, if a properly constituted fund were formed, he would be able to have his money invested in the open market by the trustees at 6 per cent without risk. In the light of the above I would suggest that the opinion of the Advocate-General may be obtained.

ENCLOSURE.

Scheme of provident fund for teachers in non-pensionable service.

1. *Constitution of the fund.*—A provident fund for the benefit of teachers in non-pensionable service shall be instituted by Government. All contributions to the fund shall be made by means of deposits in Post Office Savings Bank.

2. *Admission.*—The scheme shall be compulsory on all certificated teachers including pandits, munshis, instructors, librarians and clerks employed in all educational institutions under private management which are recognized under the Madras Educational Rules whether aided or unaided, whose pay is not less than Rs. 20 per mensem. Certificated teachers, pandits and munshis who are drawing less than Rs. 20 per mensem are given the option of subscribing to the fund. Teachers holding only acting, sub *pro tem* or temporary posts those holding probationary trained teachers certificates and uncertificated teachers in receipt of a salary of Rs. 20 per mensem

and over are also given the option of joining the fund. No teacher shall be admitted to the fund who is less than 20 years of age. The account of every teacher in the fund shall be closed when he attains the age of sixty. The following classes of certificated teachers are exempted from the operation of the scheme :—

- (i) Certificated teachers holding a policy in a Life Assurance Company so long as the policy remains in force and appears to Government to be satisfactory.
- (ii) Certificated teachers engaged by an institution which has a provident fund of its own which is accepted by the Director of Public Instruction.
- (iii) Certificated teachers employed as teacher managers of schools.
- (iv) Teachers who belong to a religious order.

Teachers coming under classes (i) and (iii) supra are given the option of joining the scheme. Inspectors of Schools (Inspectresses of Girls' Schools in the case of girls' schools) shall be competent to admit institutions and teachers to the benefit of the fund. They shall call on all teachers whose joining the fund is compulsory to submit to them an application in the form prescribed in appendix A through the manager or correspondent of their school. They shall issue to each teacher who is eligible to join the fund two certificates clearly signed by them, one to the effect that he or she is eligible to join the fund and another to the following effect :—

"On _____'s retirement or withdrawal from the fund for reasonable cause the amount at his or her credit will be increased by a grant from the Government equivalent to one third of the amount." Such certificates shall be attached to the Savings Bank Pass Book to be issued on behalf of the teachers as laid down in rule 5 infra. Inspectors of Schools and Inspectresses of Girls' Schools shall maintain a card catalogue register in the form prescribed in appendix B showing the names of the teachers who have been permitted to join the fund and for whom certificates have been issued by them.

On the institution of the Government Provident Fund the Director may require the managers of schools which have provident funds of their own to merge their funds in the Government fund. The managers shall thereupon wind up their funds and deposit in the Post Office Savings Bank the amount standing to the credit of each teacher. Such amounts shall be paid to the teachers together with the interest accrued when they withdraw from the Government fund.

3. *Proportion of contribution to be paid.*—The teacher's contribution shall be a percentage of $6\frac{1}{4}$ on the pay or one anna in the rupee, in the case of those whose pay is not less than Rs. 20 per mensem. No contribution shall be demanded on fractions of a rupee included in a teacher's pay. Contribution shall be reckoned on the substantive pay of the teacher excluding recompense for special occasional services or acting or personal allowance. When a teacher is temporarily on reduced pay on account of absence on leave or for other causes his contribution as well as that of the management shall be reckoned on the actual salary paid to him. It shall also be open to the teacher to cease from making payments during such periods of absence. Voluntary contributions in excess of the regular amount shall not be admissible. Managers or correspondents of schools shall communicate to the Inspector all changes in the pay of a teacher who enjoys the benefits of the fund.

4. *Contribution by the management of the school and by Government.*—Both the management and the Government shall contribute. The management except when a certificated teacher is himself the manager of and the only teacher in a school shall contribute a sum equal to half the contribution of the teacher, which shall be paid into the teacher's account along with his own deposit every month. In the case of teacher manager schools the pay of the teacher manager shall, for the purpose of contribution to the fund, be fixed by the Inspector or the Director of Public Instruction, as the case may be, according to the current market rate of the pay paid to a teacher of similar qualifications engaged in similar work and the teacher manager if he elects to join the fund shall make his contribution to the fund, on this amount. The contribution of Government shall take the form of a single lump payment at the time the teacher retires or for other accepted reasons withdraws his deposit, equivalent to one-third of the amount standing at his credit. If any advances from the fund have been withdrawn the amount of any balances still outstanding shall be added to the total amount at his credit for purposes of calculating the Government contribution.

5. *Control of the fund.*—The control of the fund shall rest with the Inspector of the circle (Inspectress in the case of girls' schools). If the manager of a school allows his own contribution or that of a teacher employed by him who has joined the fund to fall into arrears without reasonable excuse the recognition of the school may be withdrawn by the Director of Public Instruction on the report of the Inspector. No withdrawal of any part of the deposits or the payment of any Government contribution shall be allowed without the sanction of the Inspector. Every teacher should on joining the fund, be required to sign a certificate in token of acceptance of the rules.

6. *Management of the fund.*—The fund shall be managed by means of Post Office Savings Bank system. The teachers' contribution together with that of the management shall be deposited in a Post Office Savings Bank. The following procedure shall be adopted :—

The post office shall open individual accounts for all the contributors to the provident fund. The manager or correspondent of the school shall arrange to have contribution to the fund due from the teachers deducted from their salaries when they are disbursed each month and shall remit them together with the management's contribution to the particular post office at which the accounts stand open accompanied by

- (i) the Post Office Savings Bank Pass Books of the subscribers and
- (ii) a list in the form given below showing in detail the amount to be credited to each account and the total amount of the deposits and refunds.

Name of institution.....

Month of.....

Account number as in the pass book.	Name of subscriber.	Monthly pay of subscriber.	His contribution.	Manager's contribution.	Amount of advance refunded.	Total.
		RS.	RS.	RS.	RS.	RS.
	Total ..	..	..	..	..	..

The money received in the post office should be credited to the different accounts in accordance with the entries in the list and the post master, after satisfying himself that this has been done and that the amount of the deposit has been correctly entered in each pass book, shall sign the list, stamp it with the post office date stamp and return it with the pass books to the manager or correspondent of the institution from whom they were received. The latter officer shall be required to compare the entries made in the pass books with the entries on the list to see that the forms are correct. Any error that may be detected should be brought at once to the notice of the postmaster.

So far as the post office is concerned, the list need not be in duplicate as the deposits shall be entered in the usual course in the Post Office Savings Bank ledger and journals which will furnish a complete record of the transaction. The manager or correspondent of the school shall furnish a true copy of the list to the Inspector of the circle. The Inspecting officers during their periodical visits to the schools should audit the monthly list of payments into the Post Office Savings Bank with reference to the original pay bills or acquittance rolls and satisfy themselves that contributions are not received in excess from the subscribers or managers and that the managers have contributed fully and properly.

Deposits will ordinarily be made monthly before the 15th of the month. In exceptional circumstances, however, deposits may be made at any time and as often as desirable, so that if owing to the temporary absence of a contributor or for any other cause, the contribution of one or more individuals cannot be deposited at the same time as other contributions they can be deposited singly or collectively at a later date, a separate list being sent along with the pass books in the manner already described.

When a pass book opened on behalf of a teacher has been fully used up it shall be forwarded by the postmaster to the Inspector of Schools for record and production when the account is finally closed and the Government contribution claimed.

When a teacher leaves one school and seeks employment in another, the Government Provident fund scheme applies to both schools the Inspector of the circle which he has left shall be competent to sanction the transfer of his account to the post office at which the accounts of the school which he has joined stand open. Inspectors of Schools shall maintain a register in the form prescribed in appendix C of the transfer of accounts sanctioned by them. The manager or correspondent of a school shall furnish every teacher who leaves his school with a certificate which should bear the countersignature of the Inspector of the circle, specifying the period for which contributions to the fund were made by the teacher and by the management on his behalf.

In the case of the transfer of teachers from an institution to which the Government Provident fund scheme applies to another having a separate provident fund or vice versa the amount at their credit should be transferred to the fund which they newly join instead of being handed over to them. Contributors to the fund on whose behalf accounts are opened under the provisions of this scheme shall not be deprived of their right to open ordinary private accounts in the Post Office Savings Bank.

As the Government contribution will be calculated on the last balance at credit of the subscriber the savings bank account shall be closed at the time the depositor retires or for other accepted reasons withdraws his deposits. Whenever a subscriber wishes to withdraw from the fund he shall submit an application to the Inspector of the circle through the manager or

correspondent of the school giving his reasons therefor. If the Inspector is satisfied with the reasons he shall sanction the closure of the account and issue a certificate to the effect that the subscriber has quitted the fund in circumstances which give him a title to the contribution by the management and to the Government contribution. The postmaster shall thereupon close the account in the savings bank pass book and on receipt of an application for withdrawal signed by the depositor and endorsed in favour of the school clerk or peon or other person proposed by the manager or correspondent of the school pay the latter on behalf of the depositor the total amount standing to his credit and also return the pass book to the manager or correspondent of the school to enable him to claim the Government contribution from the Educational Department. The manager or correspondent of the school shall, after receiving the amount from the post office disburse it to the teacher concerned on acquittance rolls which should be filed in the school in the case of temporary withdrawals (and test checked by the inspecting officers during their visits) and submitted to the Accountant-General's office through the Inspector in the case of final closure. In cases where the Inspector decides that a depositor who has applied for permission to withdraw from the fund is entitled to his own contributions with interest he shall issue a certificate accordingly and instruct the postmaster to pay to the manager or correspondent of the school the balance due to the management and the postmaster shall on receipt of an application for withdrawal signed by the depositor and endorsed in favour of the school clerk or peon or other person proposed by the manager or correspondent of the school, pay the latter on behalf of the depositor the full amount standing to his credit. The manager or correspondent shall, after receiving the amount, pay the teacher the amount due to him and remit the balance to the treasury to the credit of Government. If any balance of advance drawn by the depositor remains unpaid at the time of closure of his account it shall be taken into account in calculating the amount due to the depositor. All applications to the postmaster to close the account must be supported by the Inspector's order in original which should specify the actual amount allowed to be withdrawn, the portion of it to be given to the depositor and the portion if any to be refunded to Government. Inspectors of Schools shall maintain a register in the form prescribed in appendix D of closures of accounts sanctioned by them.

The pass books issued by the post offices on behalf of the depositors shall be in the custody of the manager or correspondent of the school. Every depositor should once in the official year be permitted to look into his account, satisfy himself as to its correctness and sign a certificate in token of his acceptance of it. The certificates obtained under this rule should be forwarded to the Inspector of Schools for check and record in his office.

7. *The registers to be kept by managers of institutions.*—The following registers shall be maintained by managers or correspondents of institutions the teachers of which contribute to the fund—

(a) a card catalogue register in the form prescribed in appendix B showing the names of teachers who contribute to the fund,

(b) a register in the form prescribed in appendix E showing the advances sanctioned from the fund and their refunds,

(c) a register in the form prescribed in appendix C showing the transfer of accounts sanctioned by the Inspector, of teachers who have left the school and the certificates issued to them of the amounts, contributed by them to the fund, and

(d) a register in the form prescribed in appendix D showing the names of the teachers whose accounts have been closed and the Government contribution paid to them on their leaving the fund.

8. *Interest to the depositor.*—Interest shall be allowed on all deposits at the rate of 3 per cent per annum or such higher rate as may from time to time be determined for deposits in Post Office Savings Banks. Every depositor will have the option of requesting the postmaster with the previous sanction of the Inspector of Schools to make investments in such Government securities carrying higher rate of interest out of the balance standing to his credit as is permissible under Post Office Savings Bank rules.

9. *Withdrawal of deposit.*—Withdrawals shall be permitted on the death or complete retirement of the depositor provided that—

(a) a teacher who resigns his post with due notice before the end of the sixth year from the commencement of his admission to the scheme shall receive his own deposit and the interest thereon and with the sanction of the Inspector of the circle given for good reason, the contribution of the management, the interest thereon and the contribution of Government

(b) if a teacher is disabled or becomes invalided, he shall in all cases receive his own deposits with interest on them at whatever stage of his service he is disabled or invalided, and he should ordinarily, with the sanction of the Inspector of the circle, receive the total of the deposits to his credit and the Government contribution. Cases in which the latter course would not be pursued would be those where a teacher is incapacitated by his own fault,

(c) if a teacher is dismissed or removed from service the portion of the deposit which is made up of the contributions of the employer and the interest thereon and the Government contribution may be withheld at the discretion of the Inspector of the circle, but such a teacher shall receive his own deposits with interest thereon.

(d) If the services of a teacher are dispensed with for no fault of his own he shall, with the sanction of the Inspector of the circle, receive all deposits to his credit and the Government contribution, or if he seeks re-employment may continue to participate in the scheme without contribution until and after the date of re-employment, provided that the period of unemployment does not exceed one year.

In all cases in which the total amount standing at credit of his account is not paid to the teacher the balance shall be credited to Government.

10. *Withdrawal of advances.*—Withdrawal of advances from the fund shall be sanctioned by the Inspector of the Circle, for satisfactory reasons such as to pay expenses incurred in connexion with the illness of a subscriber or a member of his family, to pay expenses in connexion with marriages, funerals, or ceremonies which it is incumbent on the subscriber to perform. Such advances shall be permitted only when the deposit to the credit of the teacher exceeds six months' pay of the teacher. The amount of the advance to be sanctioned at any time shall not exceed three months' pay of the teacher. Such advances shall be repaid in not more than 24 equal monthly instalments. Inspectors of Schools shall maintain a register in the form prescribed in Appendix E of advances sanctioned by them. No fresh advance from the fund shall be sanctioned if there is any balance still to be refunded out of any advance already drawn from the fund.

A teacher shall also be at liberty to refund the advance drawn by him in a shorter period than that prescribed by the Inspector if he chooses to do so. Necessary application for the withdrawal of any advance sanctioned shall be signed by the depositor and duly endorsed in favour of the school clerk or peon or other person proposed by the manager or correspondent of the school and must be supported by the Inspector's sanction in original. The manager or correspondent of the school shall, after receiving the money, disburse it to the teacher concerned on acquittance rolls.

11. *Payment of the Government contribution.*—On a subscriber quitting his employment in circumstances which give him a title to the Government contribution, the claim for this contribution shall be sent to the Accountant-General, Madras, by the Inspector of the circle. Necessary application for the payment of the Government contribution shall be made by the manager or correspondent of the institution from which the teacher quitted the fund to the Inspector of the circle, accompanied by a bill for the amount due drawn up and signed by the manager or correspondent of the institution, the teachers' pass book, the certificate of his eligibility to join the fund granted to him by the Inspector at the time of his admission and certificates to the effect that no amounts in excess of the authorized contributions by the teachers and by the management have been deposited and that the teacher quitted the service in circumstances which give him a title to the Government contribution under the rules. If any balance of advance drawn by the teacher from the fund has not been repaid, the amount of such balance should also be certified. The bill drawn by the manager or correspondent of the institution should, after scrutiny, be countersigned by the Inspector. The Accountant-General will then pass one-third of the total at credit in the Savings Bank plus any balance of advance, as the Government contribution and this pass order will be given on the bill itself. The amount shall thereafter be drawn by the manager or correspondent of the institution and disbursed to the teacher. The pass book received will be finally retained and cancelled in the Accountant-General's office.

In the event of a subscriber's death occurring while his fund account is open the total amount standing to his credit in the fund as well as the Government contribution due to him will be drawn by the manager or correspondent of the school and will be divided among all or any member of his family in accordance with the terms of declaration made by him in his application for admission to the fund. This form of declaration is revisable at any time and from time to time. A married subscriber shall not be permitted to assign the total amount at his credit in the fund inclusive of the Government contribution to any other than his wife and children. If no declaration has been left by the subscriber the amount to his credit will be disbursed among his family except that sons and sons of a deceased son who have attained legal majority and married daughters and married daughters of deceased son whose husbands are alive shall be excluded from participation. The division among the person entitled shall be in equal shares except that the widow or widows and the child or children of any deceased son shall take equally between them only the share which that son would have taken had he survived the subscriber. Any sum due to a minor shall be paid to the minor's legal guardians to be used for the minor's benefit or failing a legal guardian to such person or persons as the manager or correspondent of the school considers to be the proper person or persons to receive it on the minor's behalf. If such subscriber had left no declaration or has no family (wife or children) entitled to receive the amount at his credit in the fund, the amount will be paid to the subscriber's legal representatives or such other person or persons as may be determined by a civil court competent to pass orders in this respect, provided that if the total sum at the credit of the subscriber including the Government contribution does not exceed Rs. 500 it may be paid to such person or persons as the manager or correspondent of the school considers to be the proper person or persons to receive it.

(3)

Letter—from the Government Solicitor, Madras.

To—the Director of Public Instruction, Madras.

Dated—the 26th April 1921.

No.—525.

[Teachers' Provident Fund rules.]

I have the honour to acknowledge the receipt of your letter Ref. on C. No. 9801 of 1919, dated 23rd April 1921, with enclosure which I have retained.

2. The rules it appears to me, are based on wrong principles. The contributions should be to the fund. The fund should maintain accounts. The introduction of the Post Office system as a means is out of the question, as the moneys should belong to the Fund. I have a number of objections to these rules, and if you wish I have no objection to prepare a fresh set of rules for the purpose and the same will take a little time.

3. It is not possible for me to alter your rules.

APPENDIX A.

Form of application for admission to the General Provident fund for teachers in non-pensionable service.

- (1) Name of subscriber.
- (2) Father's name.
- (3) Date of birth.
- (4) General educational qualifications.
- (5) Professional educational qualifications.
- (6) Name of institution in which ^{he}_{she} is employed at present.
- (7) Designation of appointment held.
- (8) Date of entertainment in the institution.
- (9) Pay now drawn.

Signature of subscriber.

Declaration.

I hereby declare that the above entries are correct to the best of my knowledge and that I accept the rules framed by Government for the General Provident fund for teachers in non-pensionable service instituted by Government and I agree to abide by them in case I am admitted to the benefits of the fund.

In case of my admission to the fund and in the event of my death occurring while my account in the fund is open I desire that the amount due to me from the fund, viz., the amount standing to my credit in the Post Office Savings Bank and the Government contribution due to me shall be distributed among the persons mentioned below in the manner shown against their names.

The amount due to a nominee who is a minor at the time of my death should be paid to the person whose name appears in column 5.

Name and address of the nominee or nominees.	Relationship with the subscriber.	Whether major or minor. If minor state his age.	Amount or share of deposit.	Name and address of the person to whom payment is to be made on behalf of the minor.	Sex and parentage of person mentioned in column 5.
(1)	(2)	(3)	(4)	(5)	(6)

Station.....

Date.....

Two witnesses to signature

Signature of subscriber.

Certificate to be given by the manager or correspondent of the institution.

I hereby certify that the pay of the subscriber shown in column 9 of the above application is correct.

Station.....

Date.....

Manager or Correspondent.

College.
School.

APPENDIX B.

Name.....
Date of birth.....
Date of admission to the fund.....
Institution in which employed.....
Designation of post held.....
Pay on date of application.....

Name of institution in which employed.	Period for which contribution to the fund was paid.		Attestation by the Inspector or manager or correspondent of the school.
	From	To	

Note.—Inspectors of schools shall maintain separate registers on behalf of schools in each municipality and taluk for each district.

APPENDIX C.
Register of transfers of accounts sanctioned by the Inspector on behalf of teachers admitted to the Provident fund.

Serial number.	Name of institution in which employed.	Name of Post Office in which the account stands open.	Account number as in passbook.	Months up to which subscription has been paid.	Total amount at credit as in the passbook.	Balance of any advance drawn still to be refunded.	Date on which the teacher left the school.	Name of the institution to which the teacher has gone.	Name of Post Office to which the account is to be transferred.	Date of application for transfer of account.	Date of Inspector's orders sanctioning transfer of accounts.	Date of return of the pass-book to the teacher.	To be filled in only in the register maintained in school.
													Date of issue of certificate showing the period to which the teacher contributed to the fund while in the school.

APPENDIX D.
Register of closures of accounts of teachers in the Provident fund sanctioned by Inspectors.

Serial number.	Name of teacher.	Name of institution in which employed.	Account number in the passbook of the teacher.	Months from which subscription to the fund commenced.	Months up to which subscription has been paid.	Amount at credit as in the passbook.	Balance of any advance drawn still to be refunded.	Date on which the teacher quitted the fund.	Date of application of closure of accounts.	Reason of closure of accounts.	Inspector's order as to eligibility of teacher for the management and contribution.	Total amount withdrawn from Savings Bank.	Amount paid to teacher.	Amount refunded to Government.	Accountant-General's order on the application for Government contribution.	Amount authorized by the Accountant-General for payment.	Date on which amount was drawn from the treasury.	Date of disbursement to the teacher with his signature.	To be filled in only in the register maintained in the school.

APPENDIX E.
Register of advances from the Provident fund sanctioned by Inspectors on behalf of teachers and their refund.

Serial number.	Name of teachers.	Name of institution in which employed.	Account number as in the passbook of the teacher.	Amount of advance applied for.	Purpose for which advance is required.	Amount of advance sanctioned by the Inspector.	Number of monthly instalments to which advance is payable.	Months in which the advance was drawn by the teacher.	Date on which the advance was drawn by the teacher.	Months in which the several instalments were refunded.										

III

Memorandum No. 2779-A/1, Law (Education), dated 14th July 1921.

In G.O. No. 14, Law (Education), dated the 4th January 1921, the Government approved generally the proposals of the Director of Public Instruction for introducing in this Presidency the scheme of provident fund for teachers in non-pensionable service framed by the Government of India and the Director was asked to submit a set of draft rules for the management and control of the fund. In submitting the draft rules called for, the Director states that the Government Solicitor, who was consulted in the matter, has expressed the opinion that the rules are neither workable nor legally protective to the members of the fund, that it is essential that the Government should constitute a trust fund with independent administrators, that the control of the fund by the local Government and its management by means of the Post Office Savings Bank is irregular, and that, if the rules remain unaltered, the fund money of any individual teacher will be attachable for debt which defeats one of the main objects of the fund. The Government observe that the Provident Funds (Amendment) Act, 1919, was specifically passed with a view to safeguard from attachment under any decree or order of a court amounts contributed by teachers in educational institutions to provident funds established for their benefit. The Hon'ble the Advocate-General is requested to advise Government whether the other objections to the scheme raised by the Government Solicitor are valid and, if so, how they should be overcome.

2. A copy of the undermentioned papers is forwarded for reference :—

G.O. No. 1162, Education, dated 10th September 1917.

" 14 " 4th January 1921.

Letter from the Director of Public Instruction, R.C. No. 9801/19, dated 13th June 1921.

R. RAMACHANDRA RAO,
Secretary to Government.

To the Government Solicitor

IV

From—H. BRIGHTWELL, Esq., Government Solicitor, Madras.

To—the Secretary to Government, Law (Education) Department.

Dated—the 1st August 1921.

No.—953.

ABSTRACT.—Forwarding the following opinion of the Advocate-General, No 11, dated 31st July 1921 :—

OPINION.

I have glanced through the proposed rules in respect of the Provident fund for teachers as well as the opinion of the Government Solicitor. Apparently the learned Government Solicitor has in mind schemes like those under the National Health Insurance Act of 1918 (7 & 8 Geo. V, Chap. 52) under which statute as well as earlier statutes Insurance commissioners are brought into existence for the purpose of administering a central fund. There is also a statutory scheme of pensions for the benefit of teachers certified by the Board of Studies in England. The return for the contribution under the scheme is an annuity commencing at the age of 65 out of the Deferred Annuity Fund of an amount calculated according to statutory tables framed on an actuarial basis so as to secure the fund from loss (vide the Elementary School Teachers Superannuation Act of 1898, 61 & 62 Vic., Chap. 57, section 1). The Deferred Annuity Fund is managed in England by the National Debt Commissioners and employers of teachers may deduct the amount of their contribution from their salaries and pay it to the fund. Any such system would be far too complicated for employment in this Presidency and unless some system of deferred annuities is devised the only other means of getting a higher interest than 3 per cent would be by investment in Government securities or in first mortgages both of which involve risks of depreciation and complications as to legal preliminaries handling and payments out.

When it is further remembered that apart from the Post Office, there is no other machinery which is near at hand and can answer the needs of the various elementary and other institutions scattered throughout the country, the conclusion is irresistible that the initiation of a properly constituted fund which may yield interest at 6 per cent is a matter which presents many formidable difficulties. The Government Solicitor also seems to consider that the control of the fund by the local Government and its management by means of the Post Office Savings Bank is irregular and is not legally protective to the members of the fund. The second difficulty is easily met. The Provident Fund Act IX of 1897 (section 4) protects from attachment compulsory deposits in any Government or Railway Provident Fund. This Act has been amended by Act XIV of 1919 by virtue of which the expression 'Government Provident Fund' is defined so as to include a provident fund constituted for teachers in educational institutions. The non-liability to attachment is therefore secured by these enactments. The rules, so far as I can see, contemplate the following machinery. Each teacher has to pay into the Post Office Savings Bank a certain proportion of his salary. The Manager of the institution which he is serving is under a like obligation. The payment on behalf of the teacher is effected by deductions from the salary by the Manager who deposits the requisite amount in the Post Office the transaction being scrutinized or liable to scrutiny by the teacher concerned. When the fund becomes exigible the Government contribution becomes due and payable. No useful analogy can be drawn between such a scheme and a system of formal trusts as the provident fund scheme is really the working out of a tripartite contractual obligation the parties to which are the Manager of the institution, the teacher and the Government.

On the whole, I am of opinion that the rules are not unworkable and that it is not essential that any trust should be constituted. As the opinion of the Government Solicitor does not indicate any other reason for holding that the rules are irregular than those I have attempted to deal with and as, in my view, the Provident Fund Amendment Act of 1919 safeguards the teachers' contribution from attachment, my conclusion is that the objections raised by the Government Solicitor are not valid. I shall be glad to deal with any other specific points that may be raised.

C. P. RAMASWAMI AYYAR,
Advocate-General.

Order—No. 1365, Law (Education), dated 21st September 1921.

In G.O. No. 14, Law (Education), dated 4th January 1921, the Government sanctioned the establishment of a provident fund for the benefit of teachers in non-pensionable services and requested the Director of Public Instruction to submit draft rules for the management and control of the fund. The Director has now submitted a set of rules on the subject and these, with alterations where found necessary, are printed as an annexure to these proceedings. Any suggestions or criticisms in respect of these rules will be considered by Government if received before the 1st November next.

(By order of the Government, Ministry of Education)

P. C. DUTT,
Acting Secretary to Government.

To the Director of Public Instruction.
" Secretary, Missionary Educational Association of Southern India.
" " Madras Teachers' Guild.
" " South Indian Teachers' Union, Madras.
" " Headmasters' Association, Madras.
" " Madras Provincial Elementary Teachers' Association.
" Publicity Officer.
Editors' Table.

[Annexure.]

ANNEXURE

Scheme of provident fund for teachers in non-pensionable service.

1. *Constitution of the fund.*—A provident fund for the benefit of teachers in non-pensionable service shall be instituted by Government. All contributions to the fund shall be made by means of deposits in Post Office Savings Bank.

2. *Admission.*—The scheme shall be compulsory on all certificated teachers, pandits, munshis, instructors, librarians and clerks employed in all educational institutions under private management which are recognized under the Madras Educational Rules, whether aided or unaided, whose pay is not less than Rs. 20 per mensem. Certificated teachers, pandits, munshis, instructors, librarians and clerks who are drawing less than Rs. 20 per mensem are given the option of subscribing to the fund. Teachers and other employees mentioned above who have been holding, or are likely to hold acting, sub. *pro tem.* or temporary posts, for a period of at least three years, those holding probationary trained teachers' certificates and uncertificated teachers in receipt of a salary of Rs. 20 per mensem and over are also given the option of joining the fund. No one shall be admitted to the fund who is less than 20 years of age. The account of every subscriber to the fund shall be closed when he attains the age of sixty. The following classes of employees are exempted from the operation of the scheme:—

(i) Certificated teachers, pandits, munshis, instructors, librarians and clerks holding a policy in a Life Assurance Company so long as the policy remains in force and appears to Government to be satisfactory.

(ii) Certificated teachers and other employees mentioned above engaged by an institution which has a provident fund of its own which is accepted by the Director of Public Instruction.

(iii) Certificated teachers employed as teacher managers of schools.

(iv) Teachers who belong to a religious order.

Employees coming under classes (i) and (iii) supra are given the option of joining the scheme. Inspectors of Schools (Inspectresses of Girls' Schools in the case of girls' schools) shall be competent to admit institutions and employees to the benefit of the fund. They shall call on all employees whose joining the fund is compulsory to submit to them an application in the form prescribed in Appendix A through the manager or correspondent of their school. They shall issue to each employee who is eligible to join the fund two certificates clearly signed by them, one to the effect that he or she is eligible to join the fund and another to the following effect:—

"On _____'s retirement or withdrawal from the fund for reasonable cause the amount at his or her credit will be increased by a grant from the Government equivalent to one-third of the amount." Such certificates shall be attached to the Savings Bank Pass Book to be issued on behalf of the subscribers as laid down in rule 5 infra. Inspectors of Schools and Inspectresses of Girls' Schools shall maintain a card catalogue register in the form prescribed in Appendix B showing the names of the subscribers who have been permitted to join the fund and for whom certificates have been issued by them.

On the institution of the Government Provident Fund the Director may require the managers of schools which have provident funds of their own to merge their funds in the Government fund. The managers shall thereupon wind up their funds and deposit in the Post Office Savings Bank the amount standing to the credit of each subscriber. Such amounts shall be paid to the subscribers together with the interest accrued when they withdraw from the Government fund.

3. *Proportion of contribution to be paid.*—The contribution to the fund shall be a percentage of $6\frac{1}{4}$ on the pay. No contribution shall be demanded on fractions of a rupee included in a subscriber's pay. Contribution shall be reckoned on the substantive pay of the subscriber excluding recompense for special occasional services or acting or personal allowance. When a subscriber is temporarily on reduced pay on account of absence on leave or for other causes, his contribution as well as that of the management shall be reckoned on the amount of such reduced pay actually paid to him. It shall also be open to the subscriber to cease from making payments during such periods of absence. Voluntary contributions in excess of the regular amount shall not be admissible. Managers or correspondents of schools shall communicate to the Inspector all changes in the pay of a subscriber who enjoys the benefits of the fund.

4. *Contribution by the management of the school and by Government.*—Both the management and the Government shall contribute. The management, except when a certificated teacher is himself the manager of and the only teacher in a school, shall contribute a sum equal to half the contribution of the subscriber, which shall be paid into the subscriber's account along with his own deposit every month. In the case of teacher manager schools the pay of the teacher

manager shall, for the purpose of contribution to the fund, be fixed by the Inspector subject to revision, if necessary, by the Director of Public Instruction, according to the current market rate of the pay paid to a teacher of similar qualifications engaged in similar work and the teacher manager if he elects to join the fund shall make his contribution to the fund, on this amount. The contribution of Government shall take the form of a single lump payment at the time the subscriber retires or for other accepted reasons withdraws his deposit, equivalent to one-third of the amount standing at his credit. If any advances from the fund have been withdrawn the amount of any balances still outstanding shall be added to the total amount at his credit for purposes of calculating the Government contribution.

5. *Control of the fund.*—The control of the fund shall rest with the Inspector of the circle (Inspector in the case of girls' schools). If the manager of a school allows his own contribution or that of a subscriber employed by him who has joined the fund to fall into arrears without reasonable excuse the recognition of the school may be withdrawn by the Director of Public Instruction on the report of the Inspector. No withdrawal of any part of the deposits or the payment of any Government contribution shall be allowed without the sanction of the Inspector. Every subscriber should, on joining the fund, be required to sign a certificate in token of acceptance of the rules.

6. *Management of the fund.*—The fund shall be managed by means of the Post Office Savings Bank system. The subscriber's contribution together with that of the management shall be deposited in a Post Office Savings Bank. The following procedure shall be adopted :—

The post office shall open individual accounts for all the contributors to the provident fund. The manager or correspondent of the school shall arrange to have contribution to the fund due from the subscribers deducted from their salaries when they are disbursed each month and shall remit them together with the management's contribution to the particular post office at which the accounts stand open accompanied by

- (i) the Post Office Savings Bank Pass Books of the subscribers and
(ii) a list in the form given below showing in detail the amount to be credited to each account and the total amount of the deposits and refunds :—

Name of institution.....

Month of.....

Account number as in the pass book.	Name of subscriber	Monthly pay of subscriber.	His contri- bution.	Manager's contribution.	Amount of advance refunded.	Total.
		RS.	RS.	RS.	RS.	RS.
	Total ..	..	..	..	..	..

The money received in the post office should be credited to the different accounts in accordance with the entries in the list and the postmaster, after satisfying himself that this has been done and that the amount of the deposit has been correctly entered in each pass book, shall sign the list, stamp it with the post office date stamp and return it with the pass books to the manager or correspondent of the institution from whom they were received. The latter officer shall be required to compare the entries made in the pass books with the entries in the list to see that the former are correct. Any error that may be detected should be brought at once to the notice of the postmaster.

So far as the post office is concerned, the list need not be in duplicate as the deposits shall be entered in the usual course in the Post Office Savings Bank ledger and journals which will furnish a complete record of the transaction. The manager or correspondent of the school shall furnish a true copy of the list to the Inspector of the circle. The Inspecting officers during their periodical visits to the schools should audit the monthly list of payments into the Post Office Savings Bank with reference to the original pay bills or acquittance rolls and satisfy themselves that contributions are not received in excess from the subscribers or managers and that the managers have contributed fully and properly.

Deposits will ordinarily be made monthly before the 15th of the month. In exceptional circumstances, however, deposits may be made at anytime and as often as desirable, so that if owing to the temporary absence of a contributor or for any other cause, the contribution of one or more individuals cannot be deposited at the same time as other contributions they can be deposited singly or collectively at a later date, a separate list being sent along with the pass books in the manner already described.

When a pass book opened on behalf of a subscriber has been fully used up it shall be forwarded by the postmaster to the Inspector of Schools for record and production when the account is finally closed and the Government contribution claimed.

When a subscriber leaves one school and seeks employment in another and the Government Provident fund scheme applies to both schools, the Inspector of the school which he has left shall be competent to sanction the transfer of his account to the post office at which the accounts of the school which he has joined stand open. Inspectors of Schools shall maintain a register in the form prescribed in Appendix C of the transfer of accounts sanctioned by them. The manager or correspondent of a school shall furnish every subscriber who leaves his school with a certificate which should bear the countersignature of the Inspector of the circle, specifying the period for which contributions to the fund were made by the subscriber and by the management on his behalf.

In the case of the transfer of subscribers from an institution to which the Government Provident fund scheme applies to another having a separate provident fund or vice versa the amount at their credit should be transferred to the fund which they newly join instead of being handed over to them. Contributors to the fund on whose behalf accounts are opened under the provisions of this scheme shall not be deprived of their right to open ordinary private accounts in the Post Office Savings Bank.

As the Government contribution will be calculated on the last balance, at credit of the subscriber the savings bank account shall be closed at the time the depositor retires or for other accepted reasons withdraws his deposits. Whenever a subscriber wishes to withdraw from the fund he shall submit an application to the Inspector of the circle through the manager or correspondent of the school giving his reasons therefor. If the Inspector is satisfied with the reasons, he shall sanction the closure of the account and issue a certificate to the effect that the subscriber has quitted the fund in circumstances which give him a title to the contribution by the management and to the Government contribution. The postmaster shall thereupon close the account in the savings bank pass book and on receipt of an application for withdrawal signed by the depositor and endorsed in favour of the school clerk or peon or other person proposed by the manager or correspondent of the school pay the latter on behalf of the depositor the total amount standing to his credit and also return the pass book to the manager or correspondent of the school to enable him to claim the Government contribution from the Educational Department. The manager or correspondent of the school shall, after receiving the amount from the post office, disburse it to the subscriber concerned on acquittance rolls which should be filed in the school in the case of temporary withdrawals (and test checked by the inspecting officers during their visits) and submitted to the Accountant-General's office through the Inspector in the case of final closure. In cases where the Inspector decides that a depositor who has applied for permission to withdraw from the fund is entitled only to his own contributions with interest, he shall issue a certificate accordingly and instruct the postmaster to pay to the manager or correspondent of the school the balance due to the management and the postmaster shall on receipt of an application for withdrawal signed by the depositor and endorsed in favour of the school clerk or peon or other person proposed by the manager or correspondent of the school, pay the latter on behalf of the depositor the full amount standing to his credit. The manager or correspondent shall, after receiving the amount, pay the subscriber the amount due to him and remit the balance to the treasury to the credit of Government. If any balance of advance drawn by the depositor remains unpaid at the time of closure of his account it shall be taken into account in calculating the amount due to the depositor. All applications to the postmaster to close the account must be supported by the Inspector's order in original which should specify the actual amount allowed to be withdrawn, the portion of it to be given to the depositor and the portion, if any, to be refunded to Government. Inspectors of Schools shall maintain a register in the form prescribed in Appendix D of closures of accounts sanctioned by them.

The pass books issued by the post offices on behalf of the depositors shall be in the custody of the manager or correspondent of the school. Every depositor should, once in the official year, be permitted to look into his account, satisfy himself as to its correctness and sign a certificate in token of his acceptance of it. The certificates obtained under this rule should be forwarded to the Inspector of Schools for check and record in his office.

7. *The registers to be kept by managers of institutions.*—The following registers shall be maintained by managers or correspondents of institutions the employees of which contribute to the fund—

- the fund—
- (a) a card catalogue register in the form prescribed in Appendix B showing the names of subscribers to the fund,
 - (b) a register in the form prescribed in Appendix E showing the advances sanctioned from the fund and their refunds,
 - (c) a register in the form prescribed in Appendix C showing the transfer of accounts sanctioned by the Inspector, of subscribers who have left the school and the certificates issued to them of the amounts contributed by them to the fund, and
 - (d) a register in the form prescribed in Appendix D showing the names of the subscribers whose accounts have been closed and the Government contribution paid to them on their leaving the fund.

8. *Interest to the depositor.*—Interest shall be allowed on all deposits at the rate of 3 per cent per annum or such higher rate as may from time to time be determined for deposits in Post Office Savings Banks.

9. *Withdrawal of deposit.*—Withdrawals will be permitted on the death or complete retirement of the depositor provided that—

(a) a subscriber who resigns his post with due notice before the end of the sixth year from the commencement of his admission to the scheme shall receive his own deposit and the interest thereon and with the sanction of the Inspector of the circle given for good reason, the contribution of the management, the interest thereon and the contribution of Government;

(b) if a subscriber is disabled or becomes invalided, he shall in all cases receive his own deposits with interest on them at whatever stage of his service he is disabled or invalided, and he should ordinarily, with the sanction of the Inspector of the circle, receive the total of the deposits to his credit and the Government contribution. Cases in which the latter course would not be pursued would be those where a subscriber is incapacitated by his own fault;

(c) if a subscriber is dismissed or removed from service, the portion of the deposit which is made up of the contributions of the employer and the interest thereon and the Government contribution may be withheld at the discretion of the Inspector of the circle, but such a subscriber shall receive his own deposits with interest thereon; and

(d) if the services of a subscriber are dispensed with for no fault of his own, he shall, with the sanction of the Inspector of the circle, receive all deposits to his credit and the Government contribution, or if he seeks re-employment, may continue to participate in the scheme without contribution until and after the date of re-employment, provided that the period of unemployment does not exceed one year.

In all cases in which the total amount standing at credit of his account is not paid to the subscriber the balance shall be credited to Government.

10. *Withdrawal of advances.*—Withdrawal of advances from the fund shall be sanctioned by the Inspector of the circle, for satisfactory reasons such as to pay expenses incurred in connexion with the illness of a subscriber or a member of his family, to pay expenses in connexion with marriages, funerals, or ceremonies which it is incumbent on the subscriber to perform. Such advances shall be permitted only when the deposit to the credit of the subscriber exceeds six months' pay of the subscriber. The amount of the advance to be sanctioned at any time shall not exceed three months' pay of the subscriber. Such advances shall be repaid in not more than 24 equal monthly instalments but no recovery will be made from a subscriber while he is on leave of any kind. Inspectors of Schools shall maintain a register in the form prescribed in Appendix E of advances sanctioned by them. No fresh advance from the fund shall be sanctioned if there is any balance still to be refunded out of any advance already drawn from the fund.

A subscriber shall also be at liberty to refund the advance drawn by him in a shorter period than that prescribed by the Inspector if he chooses to do so. Necessary application for the withdrawal of any advance sanctioned shall be signed by the depositor and duly endorsed in favour of the school clerk or peon or other person proposed by the manager or correspondent of the school and must be supported by the Inspector's sanction in original. The manager or correspondent of the school shall, after receiving the money, disburse it to the subscriber concerned on acquittance rolls.

11. *Payment of the Government contribution.*—On a subscriber quitting his employment in circumstances which give him a title to the Government contribution, the claim for this contribution shall be sent to the Accountant-General, Madras, by the Inspector of the circle. Necessary application for the payment of the Government contribution shall be made by the manager or correspondent of the institution from which the subscriber quitted the fund to the Inspector of the circle, accompanied by a bill for the amount due drawn up and signed by the manager or correspondent of the institution, the subscriber's pass book, the certificate of his eligibility to join the fund granted to him by the Inspector at the time of his admission and certificates to the effect that no amounts in excess of the authorized contributions by the subscriber and by the management have been deposited and that the subscriber quitted the service in circumstances which give him a title to the Government contribution under the rules. If any balance of advance drawn by the subscriber from the fund has not been repaid, the amount of such balance should also be certified. The bill drawn by the manager or correspondent of the institution should, after scrutiny, be countersigned by the Inspector. The Accountant-General will then pass one-third of the total at credit in the Savings Bank plus any balance of advance as the Government contribution and this pass order will be given on the bill itself. The amount shall thereafter be drawn by the manager or correspondent of the institution and disbursed to the subscriber. The pass book received will be finally retained and cancelled in the Accountant-General's office.

In the event of a subscriber's death occurring while his fund account is open the total amount standing to his credit in the fund as well as the Government contribution due to him will be drawn by the manager or correspondent of the school and will be divided among all or any member of his family in accordance with the terms of declaration made by him in his application for admission to the fund. This form of declaration is revisable at any time and from time to time. A married subscriber shall not be permitted to assign the total amount at his credit in the fund inclusive of the Government contribution to any other than his wife and children. If no declaration has been left by the subscriber the amount to his credit

will be disbursed among his family except that sons and sons of a deceased son who have attained legal majority and married daughters and married daughters of deceased son whose husbands are alive shall be excluded from participation. The division among the persons entitled shall be in equal shares except that the widow or widows and the child or children of any deceased son shall take equally between them only the share which that son would have taken had he survived the subscriber. Any sum due to a minor shall be paid to the minor's legal guardians to be used for the minor's benefit or failing a legal guardian, to such person or persons as the manager or correspondent of the school considers to be the proper person or persons to receive it on the minor's behalf. If such subscriber had left no declaration or has no family (wife or children) entitled to receive the amount at his credit in the fund, the amount will be paid to the subscriber's legal representatives or such other person or persons as may be determined by a civil court competent to pass orders in this respect, provided that if the total sum at the credit of the subscriber including the Government contribution does not exceed Rs. 500 it may be paid to such person or persons as the manager or correspondent of the school considers to be the proper person or persons to receive it. Government will not be bound by, or recognize, any assignment or encumbrance executed or attempted to be created which affects the disposal of the accumulations of a subscriber who dies before retirement.

APPENDIX A.

Form of application for admission to the General Provident fund for teachers.

- (1) Name of subscriber.
- (2) Father's name.
- (3) Date of birth.
- (4) General educational qualifications.
- (5) Professional educational qualifications.
- (6) Name of institution in which ^{he} _{she} is employed at present.
- (7) Designation of appointment held.
- (8) Date of entertainment in the institution.
- (9) Pay now drawn.

Signature of subscriber.

Declaration.

I hereby declare that the above entries are correct to the best of my knowledge and that I accept the rules framed by Government for the General Provident fund for teachers in non-pensionable service instituted by Government and I agree to abide by them in case I am admitted to the benefits of the fund.

In case of my admission to the fund and in the event of my death occurring while my account in the fund is open I desire that the amount due to me from the fund, viz., the amount standing to my credit in the Post Office Savings Bank and the Government contribution due to me shall be distributed among the persons mentioned below in the manner shown against their names.

The amount due to a nominee who is a minor at the time of my death should be paid to the person whose name appears in column (5).

Name and address of the nominee or nominees.	Relationship with the subscriber.	Whether major or minor. If minor, state his age.	Amount or share of deposit.	Name and address of the person to whom payment is to be made on behalf of the minor.	Sex and parentage of person mentioned in column 5.
(1)	(2)	(3)	(4)	(5)	(6)

Station

Date

Signature of subscriber.

Two witnesses.

Certificate to be given by the manager or correspondent of the institution.

I hereby certify that the pay of the subscriber shown in column 9 of the above application is correct.

Station

Date

Manager or Correspondent.
College.
School.

APPENDIX B.

Name.....
Date of birth.....
Date of admission to the fund.....
Institution in which employed.....
Designation of post held.....
Pay on date of application

Name of institution in which employed.	Period for which contribution to the fund was paid		Attestation by the Inspector or manager or Correspondent of the school.
	From	To	

Note.—Inspectors of Schools shall maintain separate registers on behalf of schools in each municipality and taluk for each district.

APPENDIX C

Register of transfers of accounts sanctioned by the Inspector on behalf of subscribers admitted to the Provident fund.

Serial number.	Name of subscriber.	Name of institution in which employed.	Name of Post office in which the account stands open.	Account number as in passbook.	Months up to which subscription has been paid.	Total amount at credit as in the passbook.	Balance of any advance drawn still to be refunded.	Date on which the subscriber left the school.	Name of the institution to which the subscriber has gone.	Name of Post office to which the account is to be transferred.	Date of application for transfer of account.	Date of Inspector's orders sanctioning transfer of accounts.	Date of return of the pass-book to the subscriber.	Date of issue of certificate showing the period to which the subscriber contributed to the fund while in the school.	To be filled in only in the register maintained in school.

APPENDIX D.

Register of closures of accounts of subscribers in the Provident fund sanctioned by Inspectors.

Serial number.	Name of subscriber.	Name of institution in which employed.	Account number in the passbook of the subscriber.	Months from which subscription to the fund commenced.	Months up to which subscription has been paid.	Amount at credit as in the passbook.	Balance of any advance drawn still to be refunded.	Date on which the subscriber quitted the fund.	Date of application of closure of accounts.	Reason of closure of accounts.	Inspector's order as to eligibility of subscriber for the Government contribution.	Total amount withdrawn from Savings Bank.	Amount paid to subscriber.	Amount refunded to Government.	Accountant-General's order on the application for Government contribution.	Amount authorized by the Accountant-General for payment.	Date on which amount was drawn from the treasury.	Date of disbursement to the subscriber with his signature.	To be filled in only in the register maintained in the school.

APPENDIX E.

Register of advances from the Provident fund sanctioned by Inspectors on behalf of subscribers and their refund.

Serial number.	Name of subscriber.	Name of institution in which employed.	Account number as in the passbook of the subscriber.	Amount at credit of the subscriber in the fund.	Amount of advance applied for.	Purpose for which advance is required.	Amount of advance sanctioned by the Inspector.	Number of monthly instalments to which advance is payable.	Month in which the advance was drawn by the subscriber.	Months in which the several instalments were refunded.																							
										1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24

When received for Fair-copying.

Date.

Initials.

When copied ..

When examined ..

When signed ..

When despatched ..

Provident fund for teachers in non-pensionable service - draft rules published.

READ AGAIN G.O. No. 14, dated 4.

1921.

1921.

READ ALSO:-

C. No.

From the

D.P.D.

Ac. No. 9801/19

dated 13-6-1921.

" "

" "

Govt Solicitor

953

1.8.1921.

" "

" "

" "

1921.

ORDER.

No. 1365, dated 21-9-1921.

Pres.

(4) In G.O. No. 14 Law (25), dated 4th January 1921, the Govt sanctioned ~~the establishment~~ of the establishment of a provident fund for the benefit of teachers, ~~not the employees including~~ ~~social employees~~ ~~employed in~~ ~~the~~ in non-pensionable service & requested the D.P.D. to submit draft rules for the ~~management and control~~ ~~the~~ ~~of the funds~~ of the funds. The Director has now submitted a set of rules on the subject & these, with slight alterations ~~where found~~.

Please remember
the govt. & send
to Pres.

are printed as an annexure to these proceedings. Any suggestions or criticisms received in respect of these rules will be considered by Govt if received before the 1st November next.

800
18.9.21
MK
19/9/21

9
20.9.21
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21/9/21

7

- The D.P.I.
- Secretary, Missionary Soc. Assoc. India.
 - " Madras Teachers Guild
 - " P.I. Teachers Union, Madras
 - " Headmasters' Assoc. Madras
 - " Madras Prov. Elementary Teachers Assoc
 - " Publicity Offices.
- E.T.

Annexure

G.O. No. 1365, 21st September 1921
Provident fund

For teachers in non-pensionable service — draft rules — published.

Read—the following papers :—

I
G.O. No. 14, Law (Education), dated 4th January 1921.

II
Letter—from R. LITTLEHAILES, Esq., M.A., Director of Public Instruction, Madras.
To—the Secretary to Government, Law (Education) Department.
Dated—the 13th June 1921.
No.—R.C. 9801/19.

With reference to paragraph 3 of G.O. No. 14, Law (Education), dated 4th January 1921, I have the honour to submit the enclosed rules of the provident fund for teachers in non-pensionable service drawn up by me in consultation with the Accountant-General, the Postmaster-General, Madras, and the Deputy Accountant-General of Post offices and Telegraphs, Madras. The Accountant-General suggested to me that the rules might be subjected to the scrutiny of the Government Solicitor. I beg to enclose a copy of the letter No. 525, dated 26th April 1921, of the Government Solicitor, Madras, who has condemned the rules. In the course of a personal interview, the Government Solicitor has explained that he is convinced that the rules are neither workable nor legally protective to the members of the fund. His main point is that it is essential that the Government should constitute a trust fund with independent administrators. He considers that the control of the fund by the local Government and its management by means of the Post Office Savings Bank as contemplated by the Government of India in the scheme forwarded with their letter No. 166, dated 23rd February 1916, is irregular and that if the rules remain unaltered the fund money of any individual teacher will be attachable for debt which defeats one of the main objects of any provident fund. The Government Solicitor also considers that it would be very unfair to compel a teacher to invest his provident fund money in the Post Office Savings Bank at 3 per cent when, if a properly constituted fund were formed, he would be able to have his money invested in the open market by the trustees at 6 per cent without risk. In the light of the above I would suggest that the opinion of the Advocate-General may be obtained.

ENCLOSURE.

Scheme of provident fund for teachers in non-pensionable service.

1. *Constitution of the fund.*—A provident fund for the benefit of teachers in non-pensionable service shall be instituted by Government. All contributions to the fund shall be made by means of deposits in Post Office Savings Bank.
2. *Admission.*—The scheme shall be compulsory on all certificated teachers including pandits, munshis, instructors, librarians and clerks employed in all educational institutions under private management which are recognized under the Madras Educational Rules whether aided or unaided, whose pay is not less than Rs. 20 per mensem. Certificated teachers, pandits and munshis who are drawing less than Rs. 20 per mensem are given the option of subscribing to the fund. Teachers holding only acting, sub *pro tem* or temporary posts those holding probationary trained teachers certificates and uncertificated teachers in receipt of a salary of Rs. 20 per mensem and over are also given the option of joining the fund. No teacher shall be admitted to the fund who is less than 20 years of age. The account of every teacher in the fund shall be closed when he attains the age of sixty. The following classes of certificated teachers are exempted from the operation of the scheme :—

1 3/4
39
26 MR
14 Pro
26
17 1/2

- (i) Certificated teachers holding a policy in a Life Assurance Company so long as the policy remains in force and appears to Government to be satisfactory.
 (ii) Certificated teachers engaged by an institution which has a provident fund of its own which is accepted by the Director of Public Instruction.
 (iii) Certificated teachers employed as teacher managers of schools.
 (iv) Teachers who belong to a religious order.

Teachers coming under classes (i) and (iii) supra are given the option of joining the scheme. Inspectors of Schools (Inspectresses of Girls' Schools in the case of girls' schools) shall be competent to admit institutions and teachers to the benefit of the fund. They shall call on all teachers whose joining the fund is compulsory to submit to them an application in the form prescribed in appendix A through the manager or correspondent of their school. They shall issue to each teacher who is eligible to join the fund two certificates clearly signed by them, one to the effect that he or she is eligible to join the fund and another to the following effect:—

"On _____'s retirement or withdrawal from the fund for reasonable cause the amount at his or her credit will be increased by a grant from the Government equivalent to one third of the amount." Such certificates shall be attached to the Savings Bank Pass Book to be issued on behalf of the teachers as laid down in rule 5 infra. Inspectors of Schools and Inspectresses of Girls' Schools shall maintain a card catalogue register in the form prescribed in appendix B showing the names of the teachers who have been permitted to join the fund and for whom certificates have been issued by them.

On the institution of the Government Provident Fund the Director may require the managers of schools which have provident funds of their own to merge their funds in the Government fund. The managers shall thereupon wind up their funds and deposit in the Post Office Savings Bank the amount standing to the credit of each teacher. Such amounts shall be paid to the teachers together with the interest accrued when they withdraw from the Government fund.

3. *Proportion of contribution to be paid.*—The teacher's contribution shall be a percentage of 64 on the pay or one anna in the rupee, in the case of those whose pay is not less than Rs. 20 per mensem. No contribution shall be demanded on fractions of a rupee included in a teacher's pay. Contribution shall be reckoned on the substantive pay of the teacher excluding recompense for special occasional services or acting or personal allowance. When a teacher is temporarily on reduced pay on account of absence on leave or for other causes his contribution as well as that of the management shall be reckoned on the actual salary paid to him. It shall also be open to the teacher to cease from making payments during such periods of absence. Voluntary contributions in excess of the regular amount shall not be admissible. Managers or correspondents of schools shall communicate to the Inspector all changes in the pay of a teacher who enjoys the benefits of the fund.

4. *Contribution by the management of the school and by Government.*—Both the management and the Government shall contribute. The management except when a certificated teacher is himself the manager of and the only teacher in a school shall contribute a sum equal to half the contribution of the teacher, which shall be paid into the teacher's account along with his own deposit every month. In the case of teacher manager schools the pay of the teacher manager shall, for the purpose of contribution to the fund, be fixed by the Inspector or the Director of Public Instruction, as the case may be, according to the current market rate of the pay paid to a teacher of similar qualifications engaged in similar work and the teacher manager if he elects to join the fund shall make his contribution to the fund, on this amount. The contribution of Government shall take the form of a single lump payment at the time the teacher retires or for other accepted reasons withdraws his deposit, equivalent to one-third of the amount standing at his credit. If any advances from the fund have been withdrawn the amount of any balances still outstanding shall be added to the total amount at his credit for purposes of calculating the Government contribution.

5. *Control of the fund.*—The control of the fund shall rest with the Inspector of the circle (Inspectress in the case of girls' schools). If the manager of a school allows his own contribution or that of a teacher employed by him who has joined the fund to fall into arrears without reasonable excuse the recognition of the school may be withdrawn by the Director of Public Instruction on the report of the Inspector. No withdrawal of any part of the deposits or the payment of any Government contribution shall be allowed without the sanction of the Inspector. Every teacher should on joining the fund, be required to sign a certificate in token of acceptance of the rules.

6. *Management of the fund.*—The fund shall be managed by means of Post Office Savings Bank system. The teachers' contribution together with that of the management shall be deposited in a Post Office Savings Bank. The following procedure shall be adopted:—

The post office shall open individual accounts for all the contributors to the provident fund. The manager or correspondent of the school shall arrange to have contribution to the fund due from the teachers deducted from their salaries when they are disbursed each month and shall remit them together with the management's contribution to the particular post office at which the accounts stand open accompanied by

- (i) the Post Office Savings Bank Pass Books of the subscribers and
- (ii) a list in the form given below showing in detail the amount to be credited to each account and the total amount of the deposits and refunds.

Name of institution.....

Month of.....

Account number as in the pass book.	Name of subscriber.	Monthly pay of subscriber.	His contri- bution.	Manager's contribution	Amount of advance refunded.	Total.
		RS.	RS.	RS.	RS.	RS.
	Total ..	..	..	..	..	..

The money received in the post office should be credited to the different accounts in accordance with the entries in the list and the post master, after satisfying himself that this has been done and that the amount of the deposit has been correctly entered in each pass book, shall sign the list, stamp it with the post office date stamp and return it with the pass books to the manager or correspondent of the institution from whom they were received. The latter officer shall be required to compare the entries made in the pass books with the entries on the list to see that the forms are correct. Any error that may be detected should be brought at once to the notice of the postmaster.

So far as the post office is concerned, the list need not be in duplicate as the deposits shall be entered in the usual course in the Post Office Savings Bank ledger and journals which will furnish a complete record of the transaction. The manager or correspondent of the school shall furnish a true copy of the list to the Inspector of the circle. The inspecting officers during their periodical visits to the schools should audit the monthly list of payments into the Post Office Savings Bank with reference to the original pay bills or acquittance rolls and satisfy themselves that contributions are not received in excess from the subscribers or managers and that the managers have contributed fully and properly.

Deposits will ordinarily be made monthly before the 15th of the month. In exceptional circumstances, however, deposits may be made at any time and as often as desirable, so that if owing to the temporary absence of a contributor or for any other cause, the contribution of one or more individuals cannot be deposited at the same time as other contributions they can be deposited singly or collectively at a later date, a separate list being sent along with the pass books in the manner already described.

When a pass book opened on behalf of a teacher has been fully used up it shall be forwarded by the postmaster to the Inspector of Schools for record and production when the account is finally closed and the Government contribution claimed.

When a teacher leaves one school and seeks employment in another, the Government Provident fund scheme applies to both schools the Inspector of the circle which he has left shall be competent to sanction the transfer of his account to the post office at which the accounts of the school which he has joined stand open. Inspectors of Schools shall maintain a register in the form prescribed in appendix C of the transfer of accounts sanctioned by them. The manager or correspondent of a school shall furnish every teacher who leaves his school with a certificate which should bear the countersignature of the Inspector of the circle, specifying the period for which contributions to the fund were made by the teacher and by the management on his behalf.

In the case of the transfer of teachers from an institution to which the Government Provident fund scheme applies to another having a separate provident fund or vice versa the amount at their credit should be transferred to the fund which they newly join instead of being handed over to them. Contributors to the fund on whose behalf accounts are opened under the provisions of this scheme shall not be deprived of their right to open ordinary private accounts in the Post Office Savings Bank.

As the Government contribution will be calculated on the last balance at credit of the subscriber the savings bank account shall be closed at the time the depositor retires or for other accepted reasons withdraws his deposits. Whenever a subscriber wishes to withdraw from the fund he shall submit an application to the Inspector of the circle through the manager or

correspondent of the school giving his reasons therefor. If the Inspector is satisfied with the reasons he shall sanction the closure of the account and issue a certificate to the effect that the subscriber has quitted the fund in circumstances which give him a title to the contribution by the management and to the Government contribution. The postmaster shall thereupon close the account in the savings bank pass book and on receipt of an application for withdrawal signed by the depositor and endorsed in favour of the school clerk or peon or other person proposed by the manager or correspondent of the school pay the latter on behalf of the depositor the total amount standing to his credit and also return the pass book to the manager or correspondent of the school to enable him to claim the Government contribution from the Educational Department. The manager or correspondent of the school shall, after receiving the amount from the post office, disburse it to the teacher concerned on acquittance rolls which should be filed in the school in the case of temporary withdrawals (and test checked by the inspecting officers during their visits) and submitted to the Accountant-General's office through the Inspector in the case of final closure. In cases where the Inspector decides that a depositor who has applied for permission to withdraw from the fund is entitled to his own contributions with interest he shall issue a certificate accordingly and instruct the postmaster to pay to the manager or correspondent of the school the balance due to the management and the postmaster shall on receipt of an application for withdrawal signed by the depositor and endorsed in favour of the school clerk or peon or other person proposed by the manager or correspondent of the school, pay the latter on behalf of the depositor the full amount standing to his credit. The manager or correspondent shall, after receiving the amount, pay the teacher the amount due to him and remit the balance to the treasury to the credit of Government. If any balance of advance drawn by the depositor remains unpaid at the time of closure of his account it shall be taken into account in calculating the amount due to the depositor. All applications to the postmaster to close the account must be supported by the Inspector's order in original which should specify the actual amount allowed to be withdrawn, the portion of it to be given to the depositor and the portion if any to be refunded to Government. Inspectors of Schools shall maintain a register in the form prescribed in appendix D of closures of accounts sanctioned by them.

The pass books issued by the post offices on behalf of the depositors shall be in the custody of the manager or correspondent of the school. Every depositor should once in the official year be permitted to look into his account, satisfy himself as to its correctness and sign a certificate in token of his acceptance of it. The certificates obtained under this rule should be forwarded to the Inspector of Schools for check and record in his office.

7. *The registers to be kept by managers of institutions.*—The following registers shall be maintained by managers or correspondents of institutions the teachers of which contribute to the fund:—

- (a) a card catalogue register in the form prescribed in appendix B showing the names of teachers who contribute to the fund,
- (b) a register in the form prescribed in appendix E showing the advances sanctioned from the fund and their refunds,
- (c) a register in the form prescribed in appendix C showing the transfer of accounts sanctioned by the Inspector, of teachers who have left the school and the certificates issued to them of the amounts, contributed by them to the fund, and
- (d) a register in the form prescribed in appendix D showing the names of the teachers whose accounts have been closed and the Government contribution paid to them on their leaving the fund.

8. *Interest to the depositor.*—Interest shall be allowed on all deposits at the rate of 3 per cent per annum or such higher rate as may from time to time be determined for deposits in Post Office Savings Banks. Every depositor will have the option of requesting the postmasters with the previous sanction of the Inspector of Schools to make investments in such Government securities carrying higher rate of interest out of the balance standing to his credit as is permissible under Post Office Savings Bank rules.

9. *Withdrawal of deposit.*—Withdrawals shall be permitted on the death or complete retirement of the depositor provided that—

- (a) a teacher who resigns his post with due notice before the end of the sixth year from the commencement of his admission to the scheme shall receive his own deposit and the interest thereon and with the sanction of the Inspector of the circle given for good reason, the contribution of the management, the interest thereon and the contribution of Government
- (b) if a teacher is disabled or becomes invalided, he shall in all cases receive his own deposits with interest on them at whatever stage of his service he is disabled or invalided, and he should ordinarily, with the sanction of the Inspector of the circle, receive the total of the deposits to his credit and the Government contribution. Cases in which the latter course would not be pursued would be those where a teacher is incapacitated by his own fault,
- (c) if a teacher is dismissed or removed from service the portion of the deposit which is made up of the contributions of the employer and the interest thereon and the Government contribution may be withheld at the discretion of the Inspector of the circle, but such a teacher shall receive his own deposits with interest thereon.

(d) If the services of a teacher are dispensed with for no fault of his own he shall, with the sanction of the Inspector of the circle, receive all deposits to his credit and the Government contribution, or if he seeks re-employment may continue to participate in the scheme without contribution until and after the date of re-employment, provided that the period of unemployment does not exceed one year.

In all cases in which the total amount standing at credit of his account is not paid to the teacher the balance shall be credited to Government.

10. *Withdrawal of advances*—Withdrawal of advances from the fund shall be sanctioned by the Inspector of the Circle, for satisfactory reasons such as to pay expenses incurred in connexion with the illness of a subscriber or a member of his family, to pay expenses in connexion with marriages, funerals, or ceremonies which it is incumbent on the subscriber to perform. Such advances shall be permitted only when the deposit to the credit of the teacher exceeds six months' pay of the teacher. The amount of the advance to be sanctioned at any time shall not exceed three months' pay of the teacher. Such advances shall be repaid in not more than 24 equal monthly instalments. Inspectors of Schools shall maintain a register in the form prescribed in Appendix E of advances sanctioned by them. No fresh advance from the fund shall be sanctioned if there is any balance still to be refunded out of any advance already drawn from the fund.

A teacher shall also be at liberty to refund the advance drawn by him in a shorter period than that prescribed by the Inspector if he chooses to do so. Necessary application for the withdrawal of any advance sanctioned shall be signed by the depositor and duly endorsed in favour of the school clerk or peon or other person proposed by the manager or correspondent of the school and must be supported by the Inspector's sanction in original. The manager or correspondent of the school shall, after receiving the money, disburse it to the teacher concerned on acquittance rolls.

11. *Payment of the Government contribution*.—On a subscriber quitting his employment in circumstances which give him a title to the Government contribution, the claim for this contribution shall be sent to the Accountant-General, Madras, by the Inspector of the circle. Necessary application for the payment of the Government contribution shall be made by the manager or correspondent of the institution from which the teacher quitted the fund to the Inspector of the circle, accompanied by a bill for the amount due drawn up and signed by the manager or correspondent of the institution, the teachers' pass book, the certificate of his eligibility to join the fund granted to him by the Inspector at the time of his admission and certificates to the effect that no amounts in excess of the authorized contributions by the teachers and by the management have been deposited and that the teacher quitted the service in circumstances which give him a title to the Government contribution under the rules. If any balance of advance drawn by the teacher from the fund has not been repaid, the amount of such balance should also be certified. The bill drawn by the manager or correspondent of the institution should, after scrutiny, be countersigned by the Inspector. The Accountant-General will then pass one-third of the total at credit in the Savings Bank plus any balance of advance, as the Government contribution and this pass order will be given on the bill itself. The amount shall thereafter be drawn by the manager or correspondent of the institution and disbursed to the teacher. The pass book received will be finally retained and cancelled in the Accountant-General's office.

In the event of a subscriber's death occurring while his fund account is open the total amount standing to his credit in the fund as well as the Government contribution due to him will be drawn by the manager or correspondent of the school and will be divided among all or any member of his family in accordance with the terms of declaration made by him in his application for admission to the fund. This form of declaration is revisable at any time and from time to time. A married subscriber shall not be permitted to assign the total amount at his credit in the fund inclusive of the Government contribution to any other than his wife and children. If no declaration has been left by the subscriber the amount to his credit will be disbursed among his family except that sons and sons of a deceased son who have attained legal majority and married daughters and married daughters of deceased son whose husbands are alive shall be excluded from participation. The division among the person entitled shall be in equal shares except that the widow or widows and the child or children of any deceased son shall take equally between them only the share which that son would have taken had he survived the subscriber. Any sum due to a minor shall be paid to the minor's legal guardians to be used for the minor's benefit or failing a legal guardian to such person or persons as the manager or correspondent of the school considers to be the proper person or persons to receive it on the minor's behalf. If such subscriber had left no declaration or has no family (wife or children) entitled to receive the amount at his credit in the fund, the amount will be paid to the subscriber's legal representatives or such other person or persons as may be determined by a civil court competent to pass orders in this respect, provided that if the total sum at the credit of the subscriber including the Government contribution does not exceed Rs. 500 it may be paid to such person or persons as the manager or correspondent of the school considers to be the proper person or persons to receive it.

(3)

Letter—from the Government Solicitor, Madras.

To—the Director of Public Instruction, Madras.

Dated—the 26th April 1921.

No.—525.

[Teachers' Provident Fund rules.]

I have the honour to acknowledge the receipt of your letter Ref. on O. No. 9801 of 1919, dated 23rd April 1921, with enclosure which I have retained.

2. The rules, it appears to me, are based on wrong principles. The contributions should be to the fund. The fund should maintain accounts. The introduction of the Post Office system as a means is out of the question, as the moneys should belong to the Fund. I have a number of objections to these rules, and if you wish I have no objection to prepare a fresh set of rules for the purpose and the same will take a little time.

3. It is not possible for me to alter your rules.

APPENDIX A.

Form of application for admission to the General Provident fund for teachers in non-pensionable service.

- (1) Name of subscriber.
- (2) Father's name.
- (3) Date of birth.
- (4) General educational qualifications.
- (5) Professional educational qualifications.
- (6) Name of institution in which ^{he}_{she} is employed at present.
- (7) Designation of appointment held.
- (8) Date of entertainment in the institution.
- (9) Pay now drawn.

Signature of subscriber.

Declaration.

I hereby declare that the above entries are correct to the best of my knowledge and that I accept the rules framed by Government for the General Provident fund for teachers in non-pensionable service instituted by Government and I agree to abide by them in case I am admitted to the benefits of the fund.

In case of my admission to the fund and in the event of my death occurring while my account in the fund is open I desire that the amount due to me from the fund, viz., the amount standing to my credit in the Post Office Savings Bank and the Government contribution due to me shall be distributed among the persons mentioned below in the manner shown against their names.

The amount due to a nominee who is a minor at the time of my death should be paid to the person whose name appears in column 5.

Name and address of the nominee or nominees.	Relationship with the subscriber.	Whether major or minor. If minor state his age.	Amount or share of deposit.	Name and address of the person to whom payment is to be made on behalf of the minor.	Sex and parentage of person mentioned in column 5.
(1)	(2)	(3)	(4)	(5)	(6)

Station.....

Date.....

Two witnesses to signature

Signature of subscriber.

Certificate to be given by the manager or correspondent of the institution.

I hereby certify that the pay of the subscriber shown in column 9 of the above application is correct.

Station.....

Date.....

Manager or Correspondent.

College.

School.

18

No. 1365, LAW (EDUCATION), 21st SEPTEMBER 1921
APPENDIX B.

7

Name.....
Date of birth.....
Date of admission to the fund.....
Institution in which employed.....
Designation of post held.....
Pay on date of application.....

Name of institution in which employed.	Period for which contribution to the fund was paid.		Attestation by the Inspector or manager or correspondent of the school.
	From.	To.	

Note.—Inspectors of schools shall maintain separate registers on behalf of schools in each municipality and taluk for each district.

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III

Memorandum No. 2779-A/1, Law (Education), dated 14th July 1921.

In G.O. No. 14, Law (Education), dated the 4th January 1921, the Government approved generally the proposals of the Director of Public Instruction for introducing in this Presidency the scheme of provident fund for teachers in non-pensionable service framed by the Government of India and the Director was asked to submit a set of draft rules for the management and control of the fund. In submitting the draft rules called for, the Director states that the Government Solicitor, who was consulted in the matter, has expressed the opinion that the rules are neither workable nor legally protective to the members of the fund, that it is essential that the Government should constitute a trust fund with independent administrators, that the control of the fund by the local Government and its management by means of the Post Office Savings Bank is irregular, and that, if the rules remain unaltered, the fund money of any individual teacher will be attachable for debt which defeats one of the main objects of the fund. The Government observe that the Provident Funds (Amendment) Act, 1919, was specifically passed with a view to safeguard from attachment under any decree or order of a court amounts contributed by teachers in educational institutions to provident funds established for their benefit. The Hon'ble the Advocate-General is requested to advise Government whether the other objections to the scheme raised by the Government Solicitor are valid and, if so, how they should be overcome.

2. A copy of the undermentioned papers is forwarded for reference :—

G.O. No. 1162, Education, dated 10th September 1917.

" 14 " 4th January 1921.

Letter from the Director of Public Instruction dated 13th June 1921.

R. RAMACHANDRA RAO,
Secretary to Government.

To the Government Solicitor.

IV

From—H. BRIGHTWELL, Esq., Government Solicitor, Madras.

To—the Secretary to Government, Law (Education) Department.

Dated—the 1st August 1921.

No.—953.

ABSTRACT.—Forwarding the following opinion of the Advocate-General, No. 11, dated 31st July 1921 :—

OPINION.

I have glanced through the proposed rules in respect of the Provident fund for teachers as well as the opinion of the Government Solicitor. Apparently the learned Government Solicitor has in mind schemes like those under the National Health Insurance Act of 1918 (7 & 8 Geo. V, Chap. 52) under which statute as well as earlier statutes Insurance commissioners are brought into existence for the purpose of administering a central fund. There is also a statutory scheme of pensions for the benefit of teachers certified by the Board of Studies in England. The return for the contribution under the scheme is an annuity commencing at the age of 65 out of the Deferred Annuity Fund of an amount calculated according to statutory tables framed on an actuarial basis so as to secure the fund from loss (vide the Elementary School Teachers Superannuation Act of 1898, 61 & 62 Vic., Chap. 57, section 1). The Deferred Annuity Fund is managed in England by the National Debt Commissioners and employers of teachers may deduct the amount of their contribution from their salaries and pay it to the fund. Any such system would be far too complicated for employment in this Presidency and unless some system of deferred annuities is devised the only other means of getting a higher interest than 3 per cent would be by investment in Government securities or in first mortgages both of which involve risks of depreciation and complications as to legal preliminaries handling and payments out.

When it is further remembered that apart from the Post Office, there is no other machinery which is near at hand and can answer the needs of the various elementary and other institutions scattered throughout the country, the conclusion is irresistible that the initiation of a properly constituted fund which may yield interest at 6 per cent is a matter which presents many formidable difficulties. The Government Solicitor also seems to consider that the control of the fund by the local Government and its management by means of the Post Office Savings Bank is irregular and is not legally protective to the members of the fund. The second difficulty is easily met. The Provident Fund Act IX of 1897 (section 4) protects from attachment compulsory deposits in any Government or Railway Provident Fund. This Act has been amended by Act XIV of 1919 by virtue of which the expression 'Government Provident Fund' is defined so as to include a provident fund constituted for teachers in educational institutions. The non-liability to attachment is therefore secured by these enactments. The rules, so far as I can see, contemplate the following machinery. Each teacher has to pay into the Post Office Savings Bank a certain proportion of his salary. The Manager of the institution which he is serving is under a like obligation. The payment on behalf of the teacher is effected by deductions from the salary by the Manager who deposits the requisite amount in the Post Office the transaction being scrutinized or liable to scrutiny by the teacher concerned. When the fund becomes exigible the Government contribution becomes due and payable. No useful analogy can be drawn between such a scheme and a system of formal trusts as the provident fund scheme is really the working out of a tripartite contractual obligation the parties to which are the Manager of the institution, the teacher and the Government.

On the whole, I am of opinion that the rules are not unworkable and that it is not essential that any trust should be constituted. As the opinion of the Government Solicitor does not indicate any other reason for holding that the rules are irregular than those I have attempted to deal with and as, in my view, the Provident Fund Amendment Act of 1919 safeguards the teachers' contribution from attachment, my conclusion is that the objections raised by the Government Solicitor are not valid. I shall be glad to deal with any other specific points that may be raised.

C. P. RAMASWAMI AYYAR,
Advocate-General.

Order—No. 1365, Law (Education), dated 21st September 1921.

In G.O. No. 14, Law (Education), dated 4th January 1921, the Government sanctioned the establishment of a provident fund for the benefit of teachers in non-pensionable services and requested the Director of Public Instruction to submit draft rules for the management and control of the fund. The Director has now submitted a set of rules on the subject and these, with alterations where found necessary, are printed as an annexure to these proceedings. Any suggestions or criticisms in respect of these rules will be considered by Government if received before the 1st November next.

(By order of the Government, Ministry of Education)

P. C. DUTT,
Acting Secretary to Government.

To the Director of Public Instruction.
" Secretary, Missionary Educational Association of Southern India.
" " Madras Teachers' Guild.
" " South Indian Teacher's Union, Madras.
" " Headmasters' Association, Madras.
" " Madras Provincial Elementary Teachers' Association.
" Publicity Officer.
Editors' Table.

[Annexure.]

ANNEXURE

Scheme of provident fund for teachers in non-pensionable service.

1. *Constitution of the fund.*—A provident fund for the benefit of teachers in non-pensionable service shall be instituted by Government. All contributions to the fund shall be made by means of deposits in Post Office Savings Bank.

2. *Admission.*—The scheme shall be compulsory on all certificated teachers, pandits, munshis, instructors, librarians and clerks employed in all educational institutions under private management which are recognized under the Madras Educational Rules whether aided or unaided, whose pay is not less than Rs. 20 per mensem. Certificated teachers, pandits, munshis, instructors, librarians and clerks who are drawing less than Rs. 20 per mensem are given the option of subscribing to the fund. Teachers and other employees mentioned above who have been holding, or are likely to hold acting sub. *pro tem*, or temporary posts, for a period of at least three years, those holding probationary trained teachers' certificates and uncertificated teachers in receipt of a salary of Rs. 20 per mensem and over are also given the option of joining the fund. No one shall be admitted to the fund who is less than 20 years of age. The account of every subscriber to the fund shall be closed when he attains the age of sixty. The following classes of employees are exempted from the operation of the scheme:—

(i) Certificated teachers, pandits, munshis, instructors, librarians and clerks holding a policy in a Life Assurance Company so long as the policy remains in force and appears to Government to be satisfactory.

(ii) Certificated teachers and other employees mentioned above engaged by an institution which has a provident fund of its own which is accepted by the Director of Public Instruction.

(iii) Certificated teachers employed as teacher managers of schools.

(iv) Teachers who belong to a religious order.

Employees coming under classes (i) and (iii) *supra* are given the option of joining the scheme. Inspectors of Schools (Inspectresses of Girls' Schools in the case of girls' schools) shall be competent to admit institutions and employees to the benefit of the fund. They shall call on all employees whose joining the fund is compulsory to submit to them an application in the form prescribed in Appendix A through the manager or correspondent of their school. They shall issue to each employee who is eligible to join the fund two certificates clearly signed by them, one to the effect that he or she is eligible to join the fund and another to the following effect:—

"On _____'s retirement or withdrawal from the fund for reasonable cause the amount at his or her credit will be increased by a grant from the Government equivalent to one-third of the amount." Such certificates shall be attached to the Savings Bank Pass Book to be issued on behalf of the subscribers as laid down in rule 5 *infra*. Inspectors of Schools and Inspectresses of Girls' Schools shall maintain a card catalogue register in the form prescribed in appendix B showing the names of the subscribers who have been permitted to join the fund and for whom certificates have been issued by them.

On the institution of the Government Provident Fund the Director may require the managers of schools which have provident funds of their own to merge their funds in the Government fund. The managers shall thereupon wind up their funds and deposit in the Post Office Savings Bank the amount standing to the credit of each subscriber. Such amounts shall be paid to the subscribers together with the interest accrued when they withdraw from the Government fund.

3. *Proportion of contribution to be paid.*—The contribution to the fund shall be a percentage of $6\frac{1}{4}$ on the pay. No contribution shall be demanded on fractions of a rupee included in a subscriber's pay. Contribution shall be reckoned on the substantive pay of the subscriber excluding recompense for special occasional services or acting or personal allowance. When a subscriber is temporarily on reduced pay on account of absence on leave or for other causes, his contribution as well as that of the management shall be reckoned on the amount of such reduced pay actually paid to him. It shall also be open to the subscriber to cease from making payments during such periods of absence. Voluntary contributions in excess of the regular amount shall not be admissible. Managers or correspondents of schools shall communicate to the Inspector all changes in the pay of a subscriber who enjoys the benefits of the fund.

4. *Contribution by the management of the school and by Government.*—Both the management and the Government shall contribute. The management except when a certificated teacher is himself the manager of and the only teacher in a school shall contribute a sum equal to half the contribution of the subscriber, which shall be paid into the subscriber's account along with his own deposit every month. In the case of teacher manager schools, the pay of the teacher

(c) a register in the form prescribed in Appendix C showing the transfer of accounts sanctioned by the Inspector, of subscribers who have left the school and the certificates issued to them of the amounts contributed by them to the fund, and

(d) a register in the form prescribed in Appendix D showing the names of the subscribers whose accounts have been closed and the Government contribution paid to them on their leaving the fund.

8. *Interest to the depositor.*—Interest shall be allowed on all deposits at the rate of 3 per cent per annum or such higher rate as may from time to time be determined for deposits in Post Office Savings Banks.

9. *Withdrawal of deposit.*—Withdrawals will be permitted on the death or complete retirement of the depositor provided that—

(a) a subscriber who resigns his post with due notice before the end of the sixth year from the commencement of his admission to the scheme shall receive his own deposit and the interest thereon and with the sanction of the Inspector of the circle given for good reason, the contribution of the management, the interest thereon and the contribution of Government;

(b) if a subscriber is disabled or becomes invalided, he shall in all cases receive his own deposits with interest on them at whatever stage of his service he is disabled or invalided, and he should ordinarily, with the sanction of the Inspector of the circle, receive the total of the deposits to his credit and the Government contribution. Cases in which the latter course would not be pursued would be those where a teacher is incapacitated by his own fault;

(c) if a subscriber is dismissed or removed from service, the portion of the deposit which is made up of the contributions of the employer and the interest thereon and the Government contribution may be withheld at the discretion of the Inspector of the circle, but such a teacher shall receive his own deposits with interest thereon; and

(d) if the services of a subscriber are dispensed with for no fault of his own, he shall, with the sanction of the Inspector of the circle, receive all deposits to his credit and the Government contribution, or if he seeks re-employment, may continue to participate in the scheme without contribution until and after the date of re-employment, provided that the period of unemployment does not exceed one year.

In all cases in which the total amount standing at credit of his account is not paid to the subscriber the balance shall be credited to Government.

10. *Withdrawal of advances.*—Withdrawal of advances from the fund shall be sanctioned by the Inspector of the circle, for satisfactory reasons such as to pay expenses incurred in connexion with the illness of a subscriber or a member of his family, to pay expenses in connexion with marriages, funerals, or ceremonies which it is incumbent on the subscriber to perform. Such advances shall be permitted only when the deposit to the credit of the teacher exceeds six months' pay of the teacher. The amount of the advance to be sanctioned at any time shall not exceed three months' pay of the teacher. Such advances shall be repaid in not more than 24 equal monthly instalments but no recovery will be made from a subscriber while he is on leave of any kind. Inspectors of Schools shall maintain a register in the form prescribed in Appendix E of advances sanctioned by them. No fresh advance from the fund shall be sanctioned if there is any balance still to be refunded out of any advance already drawn from the fund.

A subscriber shall also be at liberty to refund the advance drawn by him in a shorter period than that prescribed by the Inspector if he chooses to do so. Necessary application for the withdrawal of any advance sanctioned shall be signed by the depositor and duly endorsed in favour of the school clerk or peon or other person proposed by the manager or correspondent of the school and must be supported by the Inspector's sanction in original. The manager or correspondent of the school shall, after receiving the money, disburse it to the teacher concerned on acquittance rolls.

11. *Payment of the Government contribution.*—On a subscriber quitting his employment in circumstances which give him a title to the Government contribution, the claim for this contribution shall be sent to the Accountant-General, Madras, by the Inspector of the circle. Necessary application for the payment of the Government contribution shall be made by the manager or correspondent of the institution from which the subscriber quitted the fund to the Inspector of the circle, accompanied by a bill for the amount due drawn up and signed by the manager or correspondent of the institution, the subscriber's pass book, the certificate of his eligibility to join the fund granted to him by the Inspector at the time of his admission and certificates to the effect that no amounts in excess of the authorized contributions by the subscriber and by the management have been deposited and that the subscriber quitted the service in circumstances which give him a title to the Government contribution under the rules. If any balance

Subscriber

Subscriber

Subscriber
Subscriber

Subscriber

Subscriber

of advance drawn by the subscriber from the fund has not been repaid, the amount of such balance should also be certified. The bill drawn by the manager or correspondent of the institution should, after scrutiny, be countersigned by the Inspector. The Accountant-General will then pass one-third of the total at credit in the Savings Bank plus any balance of advance as the Government contribution and this pass order will be given on the bill itself. The amount shall thereafter be drawn by the manager or correspondent of the institution and disbursed to the subscriber. The pass book received will be finally retained and cancelled in the Accountant-General's office.

In the event of a subscriber's death occurring while his fund account is open the total amount standing to his credit in the fund as well as the Government contribution due to him will be drawn by the manager or correspondent of the school and will be divided among all or any member of his family in accordance with the terms of declaration made by him in his application for admission to the fund. This form of declaration is revisable at any time and from time to time. A married subscriber shall not be permitted to assign the total amount at his credit in the fund inclusive of the Government contribution to any other than his wife and children. If no declaration has been left by the subscriber the amount to his credit will be disbursed among his family except that sons and sons of a deceased son who have attained legal majority and married daughters and married daughters of deceased son whose husbands are alive shall be excluded from participation. The division among the persons entitled shall be in equal shares except that the widow or widows and the child or children of any deceased son shall take equally between them only the share which that son would have taken had he survived the subscriber. Any sum due to a minor shall be paid to the minor's legal guardians to be used for the minor's benefit or failing a legal guardian, to such person or persons as the manager or correspondent of the school considers to be the proper person or persons to receive it on the minor's behalf. If such subscriber had left no declaration or has no family (wife or children) entitled to receive the amount at his credit in the fund, the amount will be paid to the subscriber's legal representatives or such other person or persons as may be determined by a civil court competent to pass orders in this respect, provided that if the total sum at the credit of the subscriber including the Government contribution does not exceed Rs. 500 it may be paid to such person or persons as the manager or correspondent of the school considers to be the proper person or persons to receive it. Government will not be bound by, or recognize, any assignment or encumbrance executed or attempted to be created which affects the disposal of the accumulations of a subscriber who dies before retirement.

APPENDIX A.

Form of application for admission to the General Provident fund for teachers.

- (1) Name of subscriber.
- (2) Father's name.
- (3) Date of birth.
- (4) General educational qualifications.
- (5) Professional educational qualifications.
- (6) Name of institution in which ^{he}_{she} is employed at present.
- (7) Designation of appointment held.
- (8) Date of entertainment in the institution.
- (9) Pay now drawn.

Signature of subscriber.

Declaration.

I hereby declare that the above entries are correct to the best of my knowledge and that I accept the rules framed by Government for the General Provident fund for teachers in non-pensionable service instituted by Government and I agree to abide by them in case I am admitted to the benefits of the fund.

In case of my admission to the fund and in the event of my death occurring while my account in the fund is open I desire that the amount due to me from the fund, viz., the amount standing to my credit in the Post Office Savings Bank and the Government contribution due to me shall be distributed among the persons mentioned below in the manner shown against their names.

26

The amount due to a nominee who is a minor at the time of my death should be paid to the person whose name appears in column 5.

Name and address of the nominee or nominees.	Relationship with the subscriber.	Whether major or minor. If minor, state his age.	Amount or share of deposit.	Name and address of the person to whom payment is to be made on behalf of the minor.	Sex and parentage of person mentioned in column 5.
(1)	(2)	(3)	(4)	(5)	(6)

Station.....
Date.....
Signature of subscriber.

Two witnesses.
Certificate to be given by the manager or correspondent of the institution.
I hereby certify that the pay of the subscriber shown in column 9 of the above application is correct.
Station.....
Date.....
Manager or Correspondent.
College.
School.

APPENDIX B.

Name.....
Date of birth.....
Date of admission to the fund.....
Institution in which employed.....
Designation of post held.....
Pay on date of application.....

Name of institution in which employed.	Period for which contribution to the fund was paid		Attestation by the Inspector or manager or Correspondent of the school.
	From	To	

Note.—Inspectors of Schools shall maintain separate registers on behalf of schools in each municipality and taluk for each district.

16

Register of transfers of accounts sanctioned by the Inspector on behalf of subscribers admitted to the Provident fund.

[illegible]

Register of closures of accounts of subscribers in the Provident fund sanctioned by Inspectors.

[illegible]

Register of advances from the Provident fund sanctioned by Inspectors on behalf of subscribers and their refund.

[illegible]

True set of copy
G.O. No. 1365, 21st September 1921

Provident fund

For teachers in non-pensionable service — draft rules — published.

Order—No. 1365, Law (Education), dated 21st September 1921.

In G.O. No. 14, Law (Education), dated 4th January 1921, the Government sanctioned the establishment of a provident fund for the benefit of teachers in non-pensionable services and requested the Director of Public Instruction to submit draft rules for the management and control of the fund. The Director has now submitted a set of rules on the subject and these, with alterations where found necessary, are printed as an annexure to these proceedings. Any suggestions or criticisms in respect of these rules will be considered by Government if received before the 1st November next.

(By order of the Government, Ministry of Education)

P. C. DUTT,

Acting Secretary to Government.

To the Director of Public Instruction.

" Secretary, Missionary Educational Association of Southern India.
" " Madras Teachers' Guild.
" " South Indian Teacher's Union, Madras.
" " Headmasters' Association, Madras.
" " Madras Provincial Elementary Teachers' Association.
" Publicity Officer.
Editors' Table.

[Annexure.]

8 2/2
20
2 1/2
1 1/2

ANNEXURE

Scheme of provident fund for teachers in non-pensionable service.

1. *Constitution of the fund.*—A provident fund for the benefit of teachers in non-pensionable service shall be instituted by Government. All contributions to the fund shall be made by means of deposits in Post Office Savings Bank.

2. *Admission.*—The scheme shall be compulsory on all certificated teachers, pandits, munshis, instructors, librarians and clerks employed in all educational institutions under private management which are recognized under the Madras Educational Rules whether aided or unaided, whose pay is not less than Rs. 20 per mensem. Certificated teachers, pandits, munshis, instructors, librarians and clerks who are drawing less than Rs. 20 per mensem are given the option of subscribing to the fund. Teachers and other employees mentioned above who have been holding, or are likely to hold acting sub. *pro tem*, or temporary posts, for a period of at least three years, those holding probationary trained teachers' certificates and uncertificated teachers in receipt of a salary of Rs. 20 per mensem and over are also given the option of joining the fund. No one shall be admitted to the fund who is less than 20 years of age. The account of every subscriber to the fund shall be closed when he attains the age of sixty. The following classes of employees are exempted from the operation of the scheme:—

(i) Certificated teachers, pandits, munshis, instructors, librarians and clerks holding a policy in a Life Assurance Company so long as the policy remains in force and appears to Government to be satisfactory.

(ii) Certificated teachers and other employees mentioned above engaged by an institution which has a provident fund of its own which is accepted by the Director of Public Instruction.

(iii) Certificated teachers employed as teacher managers of schools.

(iv) Teachers who belong to a religious order.

Employees coming under classes (i) and (iii) supra are given the option of joining the scheme. Inspectors of Schools (Inspectresses of Girls' Schools in the case of girls' schools) shall be competent to admit institutions and employees to the benefit of the fund. They shall call on all employees whose joining the fund is compulsory to submit to them an application in the form prescribed in Appendix A through the manager or correspondent of their school. They shall issue to each employee who is eligible to join the fund two certificates clearly signed by them, one to the effect that he or she is eligible to join the fund and another to the following effect:—

"On _____'s retirement or withdrawal from the fund for reasonable cause the amount at his or her credit will be increased by a grant from the Government equivalent to one-third of the amount." Such certificates shall be attached to the Savings Bank Pass Book to be issued on behalf of the subscribers as laid down in rule 5 infra. Inspectors of Schools and Inspectresses of Girls' Schools shall maintain a card catalogue register in the form prescribed in appendix B showing the names of the subscribers who have been permitted to join the fund and for whom certificates have been issued by them.

On the institution of the Government Provident Fund the Director may require the managers of schools which have provident funds of their own to merge their funds in the Government fund. The managers shall thereupon wind up their funds and deposit in the Post Office Savings Bank the amount standing to the credit of each subscriber. Such amounts shall be paid to the subscribers together with the interest accrued when they withdraw from the Government fund.

3. *Proportion of contribution to be paid.*—The contribution to the fund shall be a percentage of $6\frac{1}{4}$ on the pay. No contribution shall be demanded on fractions of a rupee included in a subscriber's pay. Contribution shall be reckoned on the substantive pay of the subscriber excluding recompense for special occasional services or acting or personal allowance. When a subscriber is temporarily on reduced pay on account of absence on leave or for other causes, his contribution as well as that of the management shall be reckoned on the amount of such reduced pay actually paid to him. It shall also be open to the subscriber to cease from making payments during such periods of absence. Voluntary contributions in excess of the regular amount shall not be admissible. Managers or correspondents of schools shall communicate to the Inspector all changes in the pay of a subscriber who enjoys the benefits of the fund.

4. *Contribution by the management of the school and by Government.*—Both the management and the Government shall contribute. The management except when a certificated teacher is himself the manager of and the only teacher in a school shall contribute a sum equal to half the contribution of the subscriber, which shall be paid into the subscriber's account along with his own deposit every month. In the case of teacher manager schools the pay of the teacher

5. *Control of the fund.*—The control of the fund shall rest with the Inspector of the circle (Inspector in the case of girls' schools). If the manager of a school allows his own contribution or that of a subscriber employed by him who has joined the fund to fall into arrears without reasonable excuse the recognition of the school may be withdrawn by the Director of Public Instruction on the report of the Inspector. No withdrawal of any part of the deposits or the payment of any Government contribution shall be allowed without the sanction of the Inspector. Every subscriber should, on joining the fund, be required to sign a certificate in token of acceptance of the rules.

The post office shall open individual accounts for all the contributors to the provident fund. The manager or correspondent of the school shall arrange to have contribution to the fund due from the subscribers deducted from their salaries when they are disbursed each month and shall remit them together with the management's contribution to the particular post office at which the accounts stand open accompanied by

- Name of institution.....
Month of.....

Account number as in the pass book.	Name of subscriber.	Monthly pay of subscriber.	His contri- bution.	Manager's contribution.	Amount of advance refunded.	Total.
		RS.	RS.	RS.	RS.	RS.
	Total ..	..	..	..	..	..

The money received in the post office should be credited to the different accounts in accordance with the entries in the list and the postmaster, after satisfying himself that this has been done and that the amount of the deposit has been correctly entered in each pass book, shall sign the list, stamp it with the post office date stamp and return it with the pass books to the manager or correspondent of the institution from whom they were received. The latter officer shall be required to compare the entries made in the pass books with the entries in the list to see that the former are correct. Any error that may be detected should be brought at once to the notice of the postmaster.

So far as the post office is concerned, the list need not be in duplicate as the deposits shall be entered in the usual course in the Post Office Savings Bank ledger and journals which will furnish a complete record of the transaction. The manager or correspondent of the school shall furnish a true copy of the list to the Inspector of the circle. The Inspecting officers during their periodical visits to the schools should audit the monthly list of payments into the Post Office Savings Bank with reference to the original pay bills or acquittance rolls and satisfy themselves that contributions are not received in excess from the subscribers or managers and that the managers have contributed fully and properly.

Deposits will ordinarily be made monthly before the 15th of the month. In exceptional circumstances, however, deposits may be made at any time and as often as desirable, so that if owing to the temporary absence of a contributor or for any other cause, the contribution of one

or more individuals cannot be deposited at the same time as other contributions they can be deposited singly or collectively at a later date, a separate list being sent along with the pass books in the manner already described.

When a pass book opened on behalf of a subscriber has been fully used up it shall be forwarded by the postmaster to the Inspector of Schools for record and production when the account is finally closed and the Government contribution claimed.

When a subscriber leaves one school and seeks employment in another and the Government Provident fund scheme applies to both schools, the Inspector of the school which he has left shall be competent to sanction the transfer of his account to the post office at which the accounts of the school which he has joined stand open. Inspector of Schools shall maintain a register in the form prescribed in Appendix C of the transfer of accounts sanctioned by them. The manager or correspondent of a school shall furnish every subscriber who leaves his school with a certificate which should bear the countersignature of the Inspector of the circle, specifying the period for which contributions to the fund were made by the subscriber and by the management on his behalf.

In the case of the transfer of subscribers from an institution to which the Government Provident fund scheme applies to another having a separate provident fund or vice versa the amount at their credit should be transferred to the fund which they newly join instead of being handed over to them. Contributors to the fund on whose behalf accounts are opened under the provisions of this scheme shall not be deprived of their right to open ordinary private accounts in the Post Office Savings Bank.

As the Government contribution will be calculated on the last balance at credit of the subscriber the savings bank account shall be closed at the time the depositor retires or for other accepted reasons withdraws his deposits. Whenever a subscriber wishes to withdraw from the fund he shall submit an application to the Inspector of the circle through the manager or correspondent of the school giving his reasons therefor. If the Inspector is satisfied with the reasons, he shall sanction the closure of the account and issue a certificate to the effect that the subscriber has quitted the fund in circumstances which give him a title to the contribution by the management and to the Government contribution. The postmaster shall thereupon close the account in the savings bank pass book and on receipt of an application for withdrawal signed by the depositor and endorsed in favour of the school clerk or peon or other person proposed by the manager or correspondent of the school pay the latter on behalf of the depositor the total amount standing to his credit and also return the pass book to the manager or correspondent of the school to enable him to claim the Government contribution from the Educational Department. The manager or correspondent of the school shall, after receiving the amount from the post office, disburse it to the teacher concerned on acquittance rolls which should be filed in the school in the case of temporary withdrawals (and test checked by the inspecting officers during their visits) and submitted to the Accountant-General's office through the Inspector in the case of final closure. In cases where the Inspector decides that a depositor who has applied for permission to withdraw from the fund is entitled only to his own contributions with interest, he shall issue a certificate accordingly and instruct the postmaster to pay to the manager or correspondent of the school the balance due to the management and the postmaster shall on receipt of an application for withdrawal signed by the depositor and endorsed in favour of the school clerk or peon or other person proposed by the manager or correspondent of the school, pay the latter on behalf of the depositor the full amount standing to his credit. The manager or correspondent shall, after receiving the amount, pay the teacher the amount due to him and remit the balance to the treasury to the credit of Government. If any balance of advance drawn by the depositor remains unpaid at the time of closure of his account it shall be taken into account in calculating the amount due to the depositor. All applications to the postmaster to close the account must be supported by the Inspector's order in original which should specify the actual amount allowed to be withdrawn, the portion of it to be given to the depositor and the portion, if any, to be refunded to Government. Inspectors of Schools shall maintain a register in the form prescribed in Appendix D of closures of accounts sanctioned by them.

The pass books issued by the post offices on behalf of the depositors shall be in the custody of the manager or correspondent of the school. Every depositor should once in the official year be permitted to look into his account, satisfy himself as to its correctness and sign a certificate in token of his acceptance of it. The certificates obtained under this rule should be forwarded to the Inspector of Schools for check and record in his office.

7. *The registers to be kept by managers of institutions.*—The following registers shall be maintained by managers or correspondents of institutions the teachers of which contribute to the fund—

(a) a card catalogue register in the form prescribed in Appendix B showing the names of subscribers to the fund,

(b) a register in the form prescribed in Appendix E showing the advance sanctioned from the fund and their refunds,

sk
8

Subscriber

Subscriber

employees

sk

of advance drawn by the subscriber from the fund has not been repaid, the amount of such balance should also be certified. The bill drawn by the manager or correspondent of the institution should, after scrutiny, be countersigned by the Inspector. The Accountant-General will then pass one-third of the total at credit in the Savings Bank plus any balance of advance as the Government contribution and this pass order will be given on the bill itself. The amount shall thereafter be drawn by the manager or correspondent of the institution and disbursed to the subscriber. The pass book received will be finally retained and cancelled in the Accountant-General's office.

In the event of a subscriber's death occurring while his fund account is open the total amount standing to his credit in the fund as well as the Government contribution due to him will be drawn by the manager or correspondent of the school and will be divided among all or any member of his family in accordance with the terms of declaration made by him in his application for admission to the fund. This form of declaration is revisable at any time and from time to time. A married subscriber shall not be permitted to assign the total amount at his credit in the fund inclusive of the Government contribution to any other than his wife and children. If no declaration has been left by the subscriber the amount to his credit will be disbursed among his family except that sons and sons of a deceased son who have attained legal majority and married daughters and married daughters of deceased son whose husbands are alive shall be excluded from participation. The division among the persons entitled shall be in equal shares except that the widow or widows and the child or children of any deceased son shall take equally between them only the share which that son would have taken had he survived the subscriber. Any sum due to a minor shall be paid to the minor's legal guardians to be used for the minor's benefit or failing a legal guardian, to such person or persons as the manager or correspondent of the school considers to be the proper person or persons to receive it on the minor's behalf. If such subscriber had left no declaration or has no family (wife or children) entitled to receive the amount at his credit in the fund, the amount will be paid to the subscriber's legal representatives or such other person or persons as may be determined by a civil court competent to pass orders in this respect, provided that if the total sum at the credit of the subscriber including the Government contribution does not exceed Rs. 500 it may be paid to such person or persons as the manager or correspondent of the school considers to be the proper person or persons to receive it. Government will not be bound by, or recognize, any assignment or encumbrance executed or attempted to be created which affects the disposal of the accumulations of a subscriber who dies before retirement.

APPENDIX A.

Form of application for admission to the General Provident fund for teachers.

- (1) Name of subscriber.
- (2) Father's name.
- (3) Date of birth.
- (4) General educational qualifications.
- (5) Professional educational qualifications.
- (6) Name of institution in which ^{he}_{she} is employed at present.
- (7) Designation of appointment held.
- (8) Date of entertainment in the institution.
- (9) Pay now drawn.

Signature of subscriber.

Declaration.

I hereby declare that the above entries are correct to the best of my knowledge and that I accept the rules framed by Government for the General Provident fund for teachers in non-pensionable service instituted by Government and I agree to abide by them in case I am admitted to the benefits of the fund.

In case of my admission to the fund and in the event of my death occurring while my account in the fund is open I desire that the amount due to me from the fund, viz., the amount standing to my credit in the Post Office Savings Bank and the Government contribution due to me shall be distributed among the persons mentioned below in the manner shown against their names.

33

The amount due to a nominee who is a minor at the time of my death should be paid to the person whose name appears in column 5.

Name and address of the nominee or nominees.	Relationship with the subscriber.	Whether major or minor. If minor, state his age.	Amount or share of deposit.	Name and address of the person to whom payment is to be made on behalf of the minor.	Sex and parentage of person mentioned in column 6.
(1)	(2)	(3)	(4)	(5)	(6)

Station.....
Date.....
Signature of subscriber.

Two witnesses.
Certificate to be given by the manager or correspondent of the institution.
I hereby certify that the pay of the subscriber shown in column 9 of the above application is correct.
Station.....
Date.....
Manager or Correspondent.
College.
School.

APPENDIX B.

Name.....
Date of birth.....
Date of admission to the fund.....
Institution in which employed.....
Designation of post held.....
Pay on date of application.....

Name of institution in which employed.	Period for which contribution to the fund was paid		Attestation by the Inspector or manager or Correspondent of the school.
	From	To	

Note.—Inspectors of Schools shall maintain separate registers on behalf of schools in each municipality and taluk for each district.

7

Register of transfers of accounts sanctioned by the Inspector on behalf of subscribers admitted to the Provident fund.

[illegible]

Register of closures of accounts of subscribers in the Provident fund sanctioned by Inspectors.

Serial number.	Name of subscriber.	Name of institution in which employed	Account number in the passbook of the subscriber.	Months from which subscription to the fund commenced.	Months up to which subscription has been paid.	Amount set credit as in the passbook.	Balance of any advance drawn still to be refunded.	Date on which the subscriber quitted the fund.	Date of application of closure of accounts.	Reason of closure of accounts.	Inspector's order as to eligibility of subscriber for the management and contribution.	Total amount withdrawn from Savings Bank.	Amount paid to subscriber.	Amount refunded to Government.	Accountant-General's order on the application for Government contribution.	Amount authorized by the Accountant-General for payment.	Date on which amount was drawn from the treasury.	Date of disbursement to the subscriber with his signature.	To be filled in only in the register maintained in the school.

Register of advances from the Provident fund sanctioned by Inspectors on behalf of subscribers and their refund.

Serial number.	Name of subscriber.	Name of institution in which employed.	Account number as in the passbook of the subscriber.	Amount at credit of the subscriber in the fund.	Amount of advance applied for.	Purpose for which advance is required.	Amount of advance sanctioned by the Inspector.	Number of monthly instalments to which advance repayable.	Month in which the advance was drawn by the subscriber.	Months in which the several instalments were refunded.
										1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24

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DEPARTMENT.

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G.O. No. *1365*, dated *21/9/1911* 1911.

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}

Brief subject *Provident fund.*

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‡ To be initialled and dated.

INSTRUCTIONS FOR THE SECRETARIAT.

(a) If a paper is marked to be printed urgently, the Superintendent of the section concerned should sign the Press slip. The Superintendent should exercise a careful discretion in the matter.

(b) Each letter, memorandum, or order, or set of orders, in the file of correspondence should be headed in succession with the Roman numeral I, II, III, etc., the number being written in red ink or blue chalk above the item. The particular papers to be printed in the special issue-copies should be indicated by the Roman numeral (I, II, etc.) by which that item has been headed in the correspondence file. All matter, including marginal remarks or references, to be printed should be written in ink and matter which should not be printed should be encircled. Initials and signatures that are not quite legible should be re-written distinctly.

(b¹) For rules regarding printing of notes, see rule 315 of the office Manual.

(c) The number of copies and the details of distribution should be filled in by the Superintendent or Referencer concerned.

(d) In the absence of special instructions to the Press to keep matter standing for a specified period, ordinary papers of 8 pages and under will be kept standing for one week, and larger papers for two weeks only. The type of notes and of all confidential papers is distributed immediately after striking.

(e) This slip, properly and completely filled in, should accompany every paper sent to Press; it will be returned by the Press when proofs are furnished; it should be sent to the Press when a call is made for revised proofs or when a corrected proof is sent for striking. When finally returned by Press it should be filed with the original order or letter.

INSTRUCTIONS FOR THE PRESS.

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(b) Unless a note to the contrary is made against the matter, pencil entries should not be printed. The Superintendent of the Press may bring to the notice of the Registrar any instance of incomplete or careless editing.

(c) Signature copies of letters to the Secretary of State or to the Government of India should be printed on hand-made paper.

(d) This slip should be returned by the Press to the Secretariat when proofs are furnished; it will be sent back to the Press when proofs are returned corrected and should be finally returned to the Secretariat when struck-off copies are supplied.

(e) The names of the Secretary and Members should be printed in full when they occur on the right hand side, only the first time when they appear on the left side, the initials alone being printed later.

TO PRESS, MADRAS OOTY.

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Type may be released after usual interval.

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Clerk.

Referencer.
Clerk.

Referencer.
Clerk.

Supdt.

Supdt.

Supdt.

SPECIAL INSTRUCTIONS.

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8/2
21/9/21

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Revised proof furnished on.....	
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